

# Memorandum



To : SAC CHICAGO 194 C 779

Date

From : SA  NRA/SQ 13

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Subject : MICHAEL J. O'MALLEY  
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This memo is being written to authorize the opening  
of a sub file re. above captioned matter.

Sub file 194 C 779 SUB E will be a repository for  
the following information Newspapers.

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Indicate page, name of newspaper, city and state	Section 1 Page 1 Daily Herald Hoffman Estates Sept. 23, 1987								
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Title:	Board May Shut Down Dealership								
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# Board may shut down dealership

BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates may try to shut down construction of a car dealership because of concerns the owner may have violated an earlier agreement by removing more than 40 large trees from the site.

The village board this week asked Village Attorney Richard N. Williams to determine whether the village can stop construction of the Schaumburg Nissan-Isuzu dealership on four acres near Golf and Higgins roads.

Trustee Richard A. Cochran said halting construction would pressure the dealer's owner, James W. Kussmann, to tell the village board

why the trees were removed and to come up with a "solution on how to replace the trees."

Kussmann has been invited to answer trustees' questions at a meeting Monday.

Kussmann, who is on a business trip this week and unavailable for comment, sent a letter to Village Manager Peter T. Burchard reaffirming his position that he agreed only to maintain the trees until he developed the two-acre site next to the dealership he is now building.

Kussmann says he now plans to build another import dealership on the remaining acreage where the giant trees were chopped down 10 days ago, to the dismay of residents and trustees.

Plan Commissioner Paul Bednar told trustees he "remembers like it was yesterday" that Kussmann agreed to save the trees as part of the approved plans.

The minutes of the May 1986 public hearings show Bednar thanked Kussmann for changing the location of the building and saving the trees, but no comments from Kussmann are indicated.

Bednar says if Kussmann plans to build another dealership on the adjacent site he has to submit plans for review before doing any work. If he had done so before the tree-chopping, Bednar says, their removal would have been "a very important issue..."

# Wattles abruptly resigns

By **TERRY LEVECKE**  
Staff Writer

Paul Wattles, Hoffman Estates director of engineering, abruptly submitted his resignation last Thursday, citing personal reasons.

Wattles, 51, was director of engineering and public works since September 1983. The job was split into two positions last July, with Wattles named director of engineering and his former assistant, Fred Vogt, named director of public works.

Village Manager Peter Burchard said he wouldn't characterize Wat-

tle's abrupt resignation as a surprise but would not elaborate. The resignation was effective immediately.

Attempts to reach Wattles at home were unsuccessful.

"He indicated the resignation was for personal reasons," said Burchard. "There were some philosophical differences between the two of us but to what degree that impacted the resignation is pure speculation."

Wattles recently came under fire by residents flooded out in Parcel A of the village. They complained a culvert aimed at relieving drainage

from Higgins Road was approved for funding in May but not yet installed. They said that would have saved some of their houses from the damaging waters of last month's flash flood.

Wattles said the construction was held up by the state, where various applications for the construction were being processed.

Burchard, who is chief administrator, said the Engineering Department is operating as if Wattles is on vacation. He said there is adequate staff to take up Wattles work for now and Wattle's assistant, Dan Jermano, along with

Vogt, will handle the administrative work until a replacement is found.

Village elected officials refused to comment on the resignation. Village President Betty Gloyd said the hiring and firing is done by the village manager and it is not proper for elected officials to comment on those areas.

Wattles earned a salary of \$51,968 as of May 1, 1987, and received a \$1,513 salary increase for the year. Six department heads received larger increases while three received lower salary increases.



**WATTLES**

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# Trustees at odds over how to fill commission spots

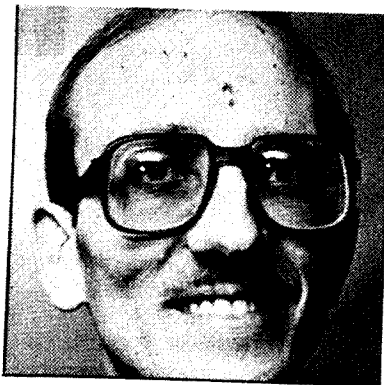
BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates village board members are enacting a seldom-used method to gain authority to nominate residents to local commissions, but not without setting off a disagreement between the two newest members of the board.

Board members this week gave final approval to re-establish the economic development and environmental commissions by local resolution, a move that allows trustees to make nominations for those panels. Normally, most commissions are established under state-sanctioned ordinances, which call for its members to be nominated by the village president.

Action also was taken to clear the way for trustees to take similar steps Oct. 5 for the board of health, Sister Cities committee, committee for disabled and seniors and the youth and Fourth of July commissions.

All of the trustees, with the excep-



Michael D. Friesen

tion of Richard A. Cochran, who was elected in April, favored the moves. Cochran said he believes the action is contrary to the village board form of government and makes the panels only "temporary" in nature.

Rebutting Cochran was Trustee Michael D. Friesen, also newly elected, who cited opinions by Village Attorney Richard N. Williams that the panels can be created by ordinance or resolution and that state law is



Richard A. Cochran

"inconsistent" in deeming whether resulting actions are temporary or permanent.

Trustees and Village President Betty J. Gloyd were at odds for almost four months this year over Gloyd's list of appointments to boards and commissions.

Gloyd said trustees would not approve her nominees unless they got 100 percent of their choices. Trustees in turn are asking for a greater say in the nominating process, accusing Gloyd of reneging on past compromises.

Friesen says Cochran touched off the entire controversy earlier in summer when he asked Williams if there was a way to take away Gloyd's appointment power.

"I also find your posturing on this matter to be entirely self-serving, in as much as you were the trustee that on your own directed Mr. Williams to render an opinion and draft an ordinance on how appointment power could be taken away from the village president at the beginning of the appointment difficulties in June," Friesen told Cochran at this week's village board meeting.

Friesen said Cochran's action escalated a "minor conflict" into one which he says made Gloyd "furious"

and caused her to assume all the trustees had a conspiracy to remove her power.

Gloyd has said the trustees are trying to "usurp" her authority by changing the committee appointment structure.

But Cochran says requesting information and taking action are two different things, adding he never pursued any options outlined by Williams.

"Pursuing this option is just continuing the rift. Both parties have to work together," Cochran said.

While admitting the trustees' action is not illegal, Cochran calls it "extreme" and not consistent with state law.

Cochran says his stance does not mean he is "pro-president" or "anti-trustee."

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Trustees at Odds

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# More consistency urged in state court's disciplining of lawyers

By Joseph R. Tybor  
Legal affairs writer

The Chicago Council of Lawyers asked the Illinois Supreme Court Wednesday to take a tougher and more consistent stance against lawyers engaged in ethical misconduct.

The public-interest bar group noted that the court has pending before it the disciplinary cases of such well-known lawyers as Fred Lane, former president of the Illinois State Bar Association; Philip Corboy, a nationally known personal injury lawyer; Patrick Tuite, a highly successful criminal defense lawyer; and William J. Harte, a po-

litically well-connected generalist.

The council said these cases present the court with a "unique opportunity" to establish clear standards for attorney discipline and help restore public confidence in the disciplinary system.

Although it said it was not taking a position on any particular case, the council urged the Supreme Court to "use this occasion to tell the public that attorney misconduct relating to transactions with judges will not be tolerated.

"... If disciplinary authorities fail to exercise their powers in a manner that reassures the public that even powerful lawyers who have vi-

olated the public trust, the administration of justice sufficiently punished, confidence in the legal system will be damaged," the council said.

Although the cases arise from the Operation Greylord scandal, they are not necessarily clear-cut examples of attorney wrongdoing, and the council asked the court to more clearly state standards of conduct.

Lane has been cited for making a \$2,500 loan to a convicted former judge, Reginald Holzer, in 1977 and failing to disclose it when he or members of his law firm appeared in Holzer's court.

Lane has denied any wrongdoing

and contends that the loan to Holzer, who is appealing his 18-year sentence for extorting \$200,000 from lawyers and others who appeared before him, was a "campaign loan" to help retire leftover debts from Holzer's unsuccessful 1976 bid for a state Supreme Court seat.

The Attorney Registration and Disciplinary Commission recommended to the Supreme Court that Lane be suspended for one year from the practice of law for violating ethical rules that prohibit attorneys from giving anything "of value" to a judge except a campaign contribution.

The cases of Corboy and Harte involve the same disciplinary rule but under different circumstances.

Each gave \$1,000 to help with the hospital bills of the terminally ill mother of convicted former Judge Richard LeFevour.

Corboy, who once employed LeFevour in his law firm, contends his gift was a charitable gift to the mother. Harte, who has known the LeFevour family for 30 years, contends his \$1,000 was a loan to the mother that was never repaid.

Neither attorney had cases pending before LeFevour at the time. They each contend the rule should not apply to them because there

was no intention to subvert justice.

A deeply divided review panel of the Attorney Registration and Disciplinary Commission recommended, however, that the two attorneys be censured. Some of the four dissenting members of the nine-member panel said it was absurd to apply the rule against the actions of Corboy and Harte.

The review board also has recommended that Tuite be censured for lending \$5,000 to help LeFevour pay his income taxes. Tuite testified at his disciplinary hearing that he had been unaware of the ethical rule that prohibits attorneys from giving a judge anything of value.

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AP Graphic

# Car dealer: I'll leave Hoffman

BY STEVE GORECKI  
Daily Herald Staff Writer

A car dealer being criticized for removing more than 40 large trees from the site of a new dealership in Hoffman Estates threatened Monday to move his business elsewhere if he is no longer "welcome" in town.

"I'd like to come into a community to be a part of the community, to be a welcome part of it," James W. Kussmann told the village board. "I'm hearing that I may not be a welcome part of it."

Village trustees last week directed the village attorney to explore the possibility of stopping construction on Kussmann's Schaumburg Nissan-Isuzu dealership going up now near the intersection of Golf and Higgins roads.

Kussmann wants to build a second dealership next door. That site became the focus of the current controversy when more than 40 trees, some 50 and 80 years old, were chopped down before any plans were presented for the second dealership.

"I think I'm taking a lot of heat needlessly about these trees," Kussmann said. "I'm a tree lover. You don't have to legally stop this project. If you don't want me to build this project, I'll stop tomorrow."

The village board Monday took no action against Kussmann, though trustees lashed out at the car dealer for not informing the village in advance about the tree removal, which was done on a Sunday earlier this month.

"I don't think anyone on the village board is saying you're not welcome in this community," Trustee Michael D. Friesen, told Kussmann. "This is an enormous embarrassment to Hoffman Estates and to you too. And it didn't have to be that way."

Landscaping plans for any second dealership are likely to be scrutinized by village planners and trustees, who probably will want to see new trees planted to replace the felled trees.

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# Town may pave roads for future developers

BY STEVE GORECKI  
Daily Herald Staff Writer

Trying to lure additional businesses to the Central Road area of the Northwest Tollway corridor, Hoffman Estates trustees are considering spending \$3.2 million to build roads and water and sewer systems and then collect the money from future developers.

Trustees this week agreed to hire engineers to start work on \$788,000 in water and sanitary sewer improvements for more than 500 acres northeast of the Northwest Tollway at Barrington Road.

The parcel is bounded to the east by Huntington Boulevard, to the west by Barrington Road, to the south by Central Road and to the north by the village limits of South Barrington, just south of Mundhank Road.

The village plans to recapture the water and sewer costs proportionately from future developers, including Siemens Gammasonics, which today is presenting plans to the plan commission for a 360,000 square-foot warehouse and research facility on 49 acres of the site.

Siemens, manufacturers of medical imaging equipment for hospitals, wants to move from its outgrown site at 2000 Nuclear Drive in Des Plaines. The new facility would employ between 900 and 1,200 people.

A second firm is eyeing another 200 acres but its identity remains under wraps until all land deals are final.

The village also is seeking state funding for \$2.4 million in roadwork, including building a one-mile, four-lane east-west access road and a half-mile, two-lane north-south ac-

cess road.

Unlike the water and sewer improvements, the village does not have the money for the road work. If the state rejects the grant idea, then the village may consider borrowing the money and recapturing the funds along with the water and sewer costs, Village Manager Peter T. Burchard said.

Another less desirable option, Burchard said, is piecemeal building of the roads by developers as they come in.

Hoffman Estates last month was forced to examine funding options for the infrastructure work when the state rejected the village's request for a \$3.2 million grant. In turn, the village rejected the state's offer of a loan for the full amount at a rate of 5 percent.

Burchard says having the infrastructure in place would enhance the potential for developing the remaining 250 acres, telling trustees, "We are now at a pivotal point where the village of Hoffman Estates can assume an aggressive role in attracting additional businesses to the industrial area along Central Road."

Having the water and sewer systems in the ground, Burchard says, would "improve the prospects of developing the otherwise unspoken-for parcels."

Also enhancing the likely development of the remaining land are state and Cook County plans to realign Central Road and widen a stretch of Barrington Road from the Northwest Tollway to Mundhank Road.

Those plans are being frowned on by South Barrington officials who fear increased traffic onto Mundhank Road, "right into the heart of our village."

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# Hoffman, Barrington wrangle over site

BY STEVE GORECKI  
Daily Herald Staff Writer

An eight-year war of words between Hoffman Estates and the Barrington communities has erupted again now that both sides are preparing for Illinois Environmental Protection Agency hearings to determine whether the 1,100-acre former Expo Park site can be tapped into the Elgin sewer district.

For the third time since annexing the huge tract in 1980, Hoffman Es-

tates is asking the IEPA to approve its request to remove 1,368 acres north of the Northwest Tollway from the Barrington sewer district, which cannot handle sewage from such a large parcel. Hoffman Estates wants the parcel connected to Elgin's district.

A preliminary meeting to set up an October date and location for the IEPA hearings will take place at 2:30 p.m. Wednesday between officials from Hoffman Estates, Barrington Hills, Barrington, Bartlett,

Streamwood, East Dundee, West Dundee, the Barrington Area Council of Governments and the Northeastern Illinois Planning Commission.

The sewer battle is being waged on the 1,100-acre site once tabbed for a huge international exposition center between Higgins Road and the tollway, plus 268 acres enveloping the Poplar Creek Music Theatre.

If Hoffman Estates wins its request to bring sewers to the site via Elgin, the land can be developed. If it loses, the Barrington communities

can effectively kill plans they oppose for the land.

Hoffman Estates says the issue to be addressed is water quality management. BACOG says it's an issue of trying to get sewers to the site without having definite development plans.

Hoffman Estates Village Manager, Peter T. Burchard says wanting to bring sewers to the site has nothing to do with "BACOG's mythological

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## **SITE: Towns argue over sewers on site**

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pursuit of a site plan."

"BACOG has wasted precious taxpayers' money in an attempt to thwart our efforts," Burchard said. "Because of BACOG we had to delay the planned development of the site for six years."

Hoffman Estates originally planned the 921-acre Beverly project for the site — a massive industrial, commercial and residential development. Those plans gave way in June 1984 to Expo Park, a \$1.5 billion world trade center that died this year along with a central figure in the mammoth project — land owner Thomas J. Origer.

No plans for the site exist, says Origer's son Scott, who favors bringing sewers to the site. Attorney John Conlon will represent the estate at the hearings and push for the boundary change.

# Memorandum



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# \$855,000 site selected for public works garage

BY STEVE GORECKI  
Daily Herald Staff Writer

A five-year search for a site for a new public works garage in Hoffman Estates has ended with the village ready to spend \$855,000 to buy a 4.6 acre parcel on Pembroke Avenue, just south of the Northwest Tollway at Barrington Road.

The village also is seeking condemnation of a nearby 3.8 acre site because the land owner "changed his mind" about selling the land to the village for a salt storage shed.

The village board authorized Village Manager Peter T. Burchard to purchase the garage site, which is located just southeast of the intersection of Pembroke and Stonington avenues. The village currently stores its salt under a tarpaulin at the site, now owned by Barrington Square Partners of Itasca.

The village also wants to pay about \$621,000 for the smaller site just southwest of the intersection to build a permanent salt storage shed.

The village and the land owners reached a "mutual understanding" on the price, but at the last moment the owners backed out, Burchard said.

"At the point we were going to enter into a preliminary contract, they changed their minds," Burchard said, explaining the need for the condemnation proceedings. "It's something you want to avoid, but we have to proceed with it."

Murray Lewison, attorney for Nardi and Company of Hillside, the broker for the property, said there was no agreement nor any "change of mind." Instead, Lewison said, the owner "just decided not to sell."

Lewison refused to reveal the owner, saying the parcel is owned by a land trust. Referring to the condemnation proceedings, Lewison said the owners do not "appreciate that type of tactic."

Burchard is confident a judge will decide in favor of the village, meaning the land likely will be condemned and sold for \$621,000.

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# Village aims for 'strike'

Village Aims for...

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BY STEVE GORECKI  
 Daily Herald Staff Writer

Hoffman Estates is asking a circuit court judge to give the village permission to tear down the 21-year-old "Bowlers building" at 375 W. Higgins Road, a two-story structure vacant since 1978.

The village says the 25,000-square-foot building violates building codes, is in a state of disrepair and poses a safety hazard because of a loading dock that floods during rainfalls and because youngsters congregated in the basement level of

the run-down structure. The village filed a lawsuit in Cook County Circuit Court last week asking for the demolition.

Trustee Michael D. Friesen said the action is "long overdue," adding, "The building is an attractive nuisance to children. It looks terrible. Semi-trailers park in the lot overnight. The board is tired of it being an eyesore and the neighbors are tired of it being an eyesore."

The building, near the Spring Mill townhouses, was built in 1966 for the Bowling Proprietors Association of America, an international trade association of retail bowling alley op-

erators now numbering 4,000 members, said Vladimir A. Wapensky, the association's executive director.

The bowling group left the building in September 1973 and moved to its present location in Arlington, Texas. A local chapter is located in Lincolnwood.

A local realtor owned and occupied most of the building until going out of business in 1978. A local branch of the U.S. Post Office also occupied the lower floor until the closing, when the building was left abandoned.

Village lawyers have spent years tracking down the owners, finally

learning it is being held in trust by the American National Bank and Trust Company of Chicago.

For nine years the building, — commonly referred to as the Bowlers or BPA building — has been empty, with weeds growing on the two-acre site and windows boarded up.

A loading dock, used to transport association brochures and mailings from a basement printing press, fills with water during rainfalls creating a potentially dangerous situation for curious youngsters, who also gather in the basement, Friesen said.

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## Villages urge state to deny sewer request

BY STEVE GORECKI  
Daily Herald Staff Writer

Until both sides agree on a specific project for Hoffman Estates' undeveloped west side, Barrington-area officials urged the state Wednesday to reject a request to allow sewers on the massive site.

Donald Klein, executive director of the Barrington Area Council of Governments, reiterated a long-standing position that officials from the Barrington communities — some of which border the 1,368-acre tract in Hoffman Estates — would consider agreeing to a small-scale project on the site. But, he added, there are no plans pending, large or small.

"Obviously we aren't living in a dream world," Klein said. "But as it stands now there is no reason to sewer that property."

Klein was testifying on the second day of an Illinois Environmental Protection Agency hearing to consider Hoffman Estates' request to remove the land north of the Northwest Tollway and west of Route 59 — including Poplar Creek Music Theater — from the Barrington sewer district to the Elgin sewer district. Without that transfer, Hoffman Estates officials, who testified Tuesday, say no development is possible on the land.

Hoffman Estates' request was buoyed by William A. Macaitas, assistant chief engineer for the Metropolitan Sanitary District, who told the IEPA hearing officer the Elgin sewer district "has adequate capacity to handle the Poplar Creek service area until the year 2000" and room to expand if necessary.

And Streamwood Village Manager Edward Emond testified his town, located south of the site, supports the Hoffman Estates petition.

But it is the Barrington communities — notably Barrington Hills — who fear their "countryside" environment would be threatened by high-density projects.

The hearing continues at 9 a.m. today at the Blackhawk Community Center, 1685 W. Higgins Road, Hoffman Estates.

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# 'Ice Bucket's' new lights to leave residents in shadows

By DWAYNE T. WONG  
Daily Herald Correspondent

Fireside Chrysler-Plymouth representatives tried to defuse residents' concerns about glare from a proposed Hoffman Estates dealership by shedding some light on their plans for an innovative illumination system.

Officials from ElSCO Lighting Inc., of Stockton, Cal., told the Hoffman

Estates plan commission top-of-the-line lighting would be used that would emit glare no more than 60 feet away from the proposed dealership on Golf Road, just west of Kingsdale Road.

The site, commonly known as the "Ice Bucket," is adjacent to houses in the Hoffman Hills subdivision but the closest house is 130 feet away, Fireside officials have testified. That has been little consolation to

residents who fear the \$3.5 million dealership will bring noise, traffic, flooding problems and glare from the dealership's lights.

Answering concerns about the lighting, David Patricoski of ElSCO said the special directional lighting would be aimed directly at the cars and would not spill onto the surrounding area.

Allan Gaines, owner of Fireside

Chrysler-Plymouth, wants to move his Schaumburg dealership down Golf Road to more spacious environs in Hoffman Estates. Gaines cited expansion of his import car business and shrinking space at the Schaumburg site for the move.

Other measures planned include a \$115,000 combination of trees, evergreens and ornamental shrubs to buffer houses to the east and north.

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## On-site sewage treatment urged for Hoffman parcel

BY STEVE GORECKI  
Daily Herald Staff Writer

Treating sewage on site is preferable to traditional methods being requested by Hoffman Estates for 1,368 acres on its western border, a former director of planning for Lake County said Thursday.

Lane Kendig, former Lake County planning director and now a Mundelein planning consultant, advocated on-site treatment plants or a spray irrigation system similar to one used in Itasca for the large undeveloped parcel in western Hoffman Estates.

"Traditional ways of dealing with waste water treatment are probably not the best ways," Kendig said about Hoffman Estates' plans for sewers at the site.

Kendig's testimony came on the final day of an Illinois Environmental Protection Agency hearing to consider Hoffman Estates' request to remove the land from the Barrington sewer district to the larger Elgin sewer district. Without the transfer, Hoffman Estates officials say devel-

opment of the site is impossible.

But that move is being opposed by officials from the Barrington communities who fear sewers on the land will attract high-density projects that would threaten their "countryside" environment.

The site spans the north side of the Northwest Tollway west of Route 59 to the border of Cook and Kane counties.

Kendig, testifying for Barrington Hills, said Hoffman Estates' "proposal is likely to worsen water quality in the area. It would generate very high volumes of stormwater runoff."

Instead, Kendig said a better option would be treating the sewer water on site and re-using it. Such a system is now used at the Hamilton Lakes hotel and office complex in Itasca.

But that method was attacked by engineer William J. Cadigan, who testified earlier on behalf of Hoffman Estates. He said prohibitive costs make on-site treatment impractical and indicated the lagoons would take up too much land.

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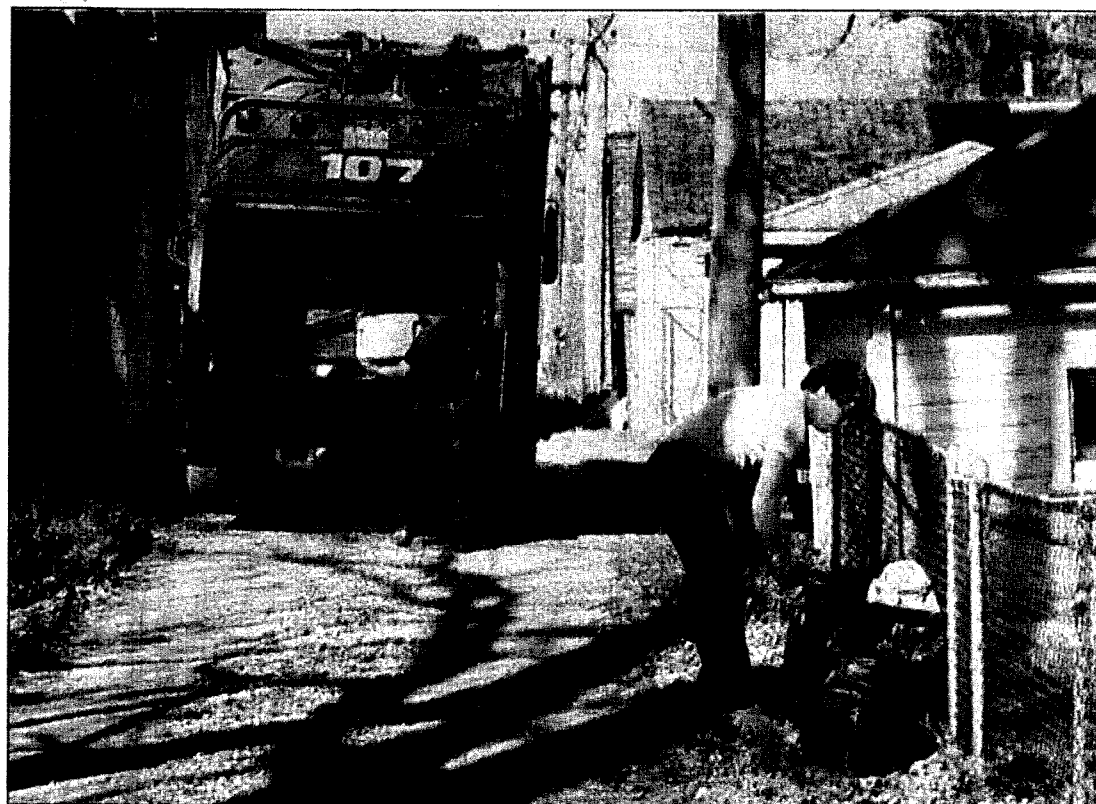
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Bid Trash Deals...



Tribune photo by John Irvine

Employees of Fitzpatrick Brothers Disposal Services Inc., working under a high-priced, no-bid contract, gather trash for the twice-a-week service in Chicago Heights.

## No-bid trash deals prove costly

By George Papajohn  
and Thomas M. Burton

Suburbs throughout the Chicago area routinely issue no-bid contracts or skirt formal bidding procedures in bestowing the lucrative privilege of hauling away their residents' garbage, a Tribune survey has found.

Although state law mandates that the City of Chicago seek bids on municipal contracts, there is no such requirement for smaller Illinois communities, even when they issue multimillion-dollar contracts.

Law or no law, bids for large contracts such as trash hauling

The Chicago area faces major decisions on dealing with garbage. This is one in a series of articles.

are considered good policy by good-government advocates, and some Chicago suburbs have saved hundreds of thousands of dollars by seeking competitive bidding on their trash business.

But two of every three trash contracts found in a Tribune survey of 201 municipalities in Cook, Du Page, Kane, Lake, McHenry and Will Counties were not awarded through bids or were routinely extended

without bidding.

In many cases, the trash contracts represent the most money awarded on a regular basis by the municipalities to any private firm.

The no-bid arrangements are worth about \$31 million annually, the survey found, representing 61 percent of the value of all the contracts. Sixty-seven of 103 municipal contracts issued were no-bid. Ninety-eight of the 201 municipalities have no contracts with private haulers—they either employ their own crews or leave it to their resi-

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## City/suburbs

## Garbage

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dents to make arrangements.

At the same time, the survey found, the local garbage-hauling industry has come to be dominated by the world's two largest waste-services companies: Waste Management Inc., based in suburban Oak Brook, and Browning-Ferris Industries Inc. of Houston.

No-bid methods of awarding contracts to these and other trash haulers are employed everywhere from affluent Du Page County and the North Shore to blue-collar towns in the south suburbs.

State law generally permits such arrangements for municipal contracts in towns with populations under 500,000 if two-thirds of the aldermen or trustees approve the deal. But the experience of suburbs using bidding suggests that those who do not may be throwing away residents' money along with the tons of garbage they generate each year.

In Franklin Park, officials switched to bidding in 1984 after growing disillusioned with 28 years of an informal, negotiated arrangement with Van Der Molen Disposal, which was bought by Browning-Ferris in the 1970s.

Village Clerk Garry Rossino estimates the village saved \$900,000 over the life of the contract by awarding its three-year deal to the low bidder, Best Way Disposal, rather than sticking with Van Der Molen.

"The drop was dramatic for basically the same service," Rossino said. Van Der Molen was charging \$8 per home per month, but Best Way bid \$5.25. The village's current hauler, Arc Disposal, charges \$6 a home.

Peter Block, a spokesman for Browning-Ferris, said of the Franklin Park contract: "They underbid us and won the bid. That's a fact of life with bidding." He declined to speculate about what caused the substantial price difference.

No-bid contracts would appear to be especially susceptible to cronyism, particularly in light of the 1986 convictions of two men for payoffs made while they were employees of Waste Management subsidiaries. The payoffs were in connection with the municipal garbage business.

Competitive, sealed bidding is "the preferred method of procurement" for supplies and services, according to the Model Procurement Code for State and Local Governments drafted by the American Bar Association in 1979. Lawyers who developed the code said that residential trash-hauling contracts can easily be offered for bid.

Even in a small town such as St. Charles, the hauling contract is worth \$350,000 a year. In larger communities—Chicago Heights, Oak Lawn and Waukegan, for example—the no-bid contracts are worth \$1 million or more a year.

In Arlington Heights, the annual trash-hauling contract, renegotiated after being awarded through bidding several years ago, is worth more than \$2 million.

With the cost of hauling garbage increasing rapidly as a result of the lack of landfill space in the area, the amount of money spent by municipalities or individual residents can only multiply, according to suburban and industry officials. Area residents currently are paying anywhere from a few dollars a month to \$180 a year, or \$15 a month.

A little more than half the towns surveyed, 103 of 201, awarded contracts to an outside hauler—either through bidding or some form of negotiation. Residents pay the price for hauling through direct billing or taxes.

In 26 of the 201 towns, municipalities have their own garbage trucks and crews. In the other 72, officials license multiple scavengers or leave it up to residents to arrange for pickup.

Though dozens of waste haulers

still operate in the Chicago area, their numbers are shrinking, leaving Waste Management, Browning-Ferris and, to some extent, Laidlaw Waste Systems Inc., of Burlington, Ontario, alone at the upper echelon of the industry locally.

Some suburban officials defended their no-bid contracts, arguing that there is little competition for hauling and that bidding can sometimes be futile.

That sentiment echoes views expressed in a 1977 study on waste-disposal costs for the Northeastern Illinois Planning Commission. Local officials, the report said, "point to the growing market power of a few companies and bemoan the creation of subregional monopolies and oligopolies."

Among the 21 largest municipal contracts issued in the Chicago area, companies owned by the two international giants hold 14, and they have held the contracts for 10 to 20 years or more.

In some cases, the two haulers have opted not to bid against each other.

Browning-Ferris, for example, holds the \$1.6 million contract for Aurora. But Rot's Disposal, a Browning-Ferris firm, declined an offer in 1986 to bid for the residential service in nearby Naperville, according to Kristina Kaar of the city's Department of Transportation.

The only bidder in Naperville was Fox Valley Disposal, a Waste Management firm. At \$2.3 million this year, the Naperville contract was the largest contract found in the survey.

Block of Browning-Ferris said the reasons for not bidding on a particular contract include the distance to a disposal site and the amount of available equipment and manpower. The company might not go through the time and expense of bidding, Block said, if it believes it cannot offer a low enough price to win.

Waste Management officials said that company's policy is to try to bid for every municipal contract. "We want to grow," said Donald Price, vice president of Waste Management of Illinois Inc. "We look at everything."

"As far as I know, the company has always been responsive to bidding. If there wasn't one bid, all I can say is, it fell through the cracks."

Federal and state prosecutors are investigating allegations of price-fixing and agreements not to compete with each other by garbage firms in various locations around the U.S., though there is no known inquiry in the Chicago area.

## How the report was compiled

The statistics upon which this report are based were gathered by a team of Tribune reporters who studied municipal garbage contracts and bidding histories throughout the Chicago area.

Reporters who participated in the survey were Steve Johnson, Terry Wilson, Karen M. Thomas, Robert Enstad, Andrew Fegelman, Katherine Seigenthaler, Neil H. Mehler, John Schmeltzer, Tasia Kavvadias, Andrew Bagnato, Robert Blau, Barbara Mahany, George Papajohn and Thomas M. Burton.

In Ohio, subsidiaries of Waste Management and Browning-Ferris pleaded guilty last month to federal antitrust charges that they engaged in "collusive" behavior and "rigged bids" in the Toledo area. In September, the U.S. Justice Department filed a one-count felony information alleging that a Waste Management subsidiary conspired with unnamed competitors to allocate customers and fix prices in south Florida. And similarly, the Los Angeles County district attorney's office has charged Waste Management of California and other haulers with "dividing up customers among themselves, eliminating true competition and raising prices to artificially high levels."

Overall, Waste Management and Browning-Ferris hold about half the 103 contracts found in the local survey, representing 58 percent of the total spent for residential trash collection. Browning-Ferris hauled garbage from 25 of those towns and had about \$15 million in municipal business; Waste Management held 24 contracts, worth a total of \$13 million.

Suburban officials and smaller haulers cite two reasons why the two firms have such a foothold: their sheer size, which allows them to handle larger jobs, and their landfill ownership, a potential selling point and cost saver.

The two companies have a tight grip on the now-precious landfill space in the six-county Chicago

area. Waste Management owns or operates seven of the area's 26 landfills for municipal trash; Browning-Ferris has three.

Those 10 landfills account for 77 percent of the remaining capacity in the area, according to state Environmental Protection Agency figures.

Higher tipping fees—which landfill operators charge haulers to dump garbage—also are not as big a concern to a hauler who owns a landfill. Those fees have been rising quickly as landfill space diminishes.

There are some instances where Waste Management and Browning-Ferris have faced off over contracts. In Hinsdale, Browning-Ferris bid 13 percent less than Waste Management to win a \$920,000 contract. In Addison, Browning-Ferris won a contract from among six bidders, including Waste Management.

The two also bid for the relatively tiny \$35,000 contract at the College of Du Page in Glen Ellyn, with Browning-Ferris winning. But Mark Olson, director of campus services, said that's a rarity.

"Although there are many vendors who can supply this service, we found a reluctance for companies to bid due to unofficial 'territorial rights,'" according to a college memo.

Other suburban officials also say they suspect that there is a territorial understanding among some haulers, making it difficult for public bodies to do anything but stick with the same hauler.

"We had no choice," said Don DeBiase, director of the physical plant for Harper College in Palatine, where Browning-Ferris hauls the trash in a no-bid arrangement.

Waste Management and Browning-Ferris dispute the contention that such territories exist.

Waste Management spokesman William Plunkett said the company believes "the climate in Chicago is extremely competitive. It's a

microcosm of the industry nationally."

Even in cases where bids are sought and bidders are found in the Chicago area, officials can ignore the lowest price.

Meyer Brothers has hauled trash in Bridgeview for more than 20 years, said Mayor John Oremus, and in at least one instance the company was underbid by a competitor but retained the contract.

Though the village has not been served by any other hauler, Oremus is confident that Meyer Brothers provides the "best service." The current contract is worth about \$350,000.

The south suburb of Chicago Heights has negotiated one of the more interesting garbage-hauling contracts in the Chicago area. That contract, signed in March, 1984, was with a firm whose president is reputed south suburban mob boss Albert Caesar Tocco.

Under that contract, residents of Chicago Heights pay a basic fee of \$9 per household per month, plus any increases in labor costs—one of the most costly contracts found in the south suburbs by the newspaper's survey.

The company, Fitzpatrick Brothers Disposal Services Inc., had previously hauled refuse in Chicago Heights under other management. After Tocco took over as president in 1983, the city rejected a lower bid from another firm and negotiated a contract with Tocco's company at a rate initially equal to the other firm's bid, according to city records and Streets Supt. Ernest Molyneaux.

But by 1984, Chicago Heights went from one to two weekly pickups and doubled the payments to the Tocco-run company. City records show that payments to the company went from \$515,000 in 1983-83 to \$1.23 million by 1986-87.

Yet the survey by The Tribune found that in other towns giving residents a choice of once- or twice-weekly pickups, the rate for twice-a-week service isn't double the other, but ranges from 24 to 55 percent higher. Doubling the pickups doesn't double a hauler's costs, according to other executives in the hauling business, because such costs as the amount paid by haulers to landfill operators shouldn't change when the number of pickups changes.

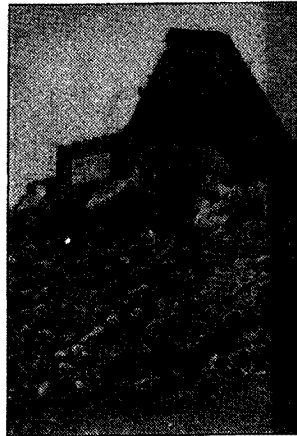
Molyneaux said "we just negotiated with Fitzpatrick" and didn't seek competitive bids after rejecting earlier bids because "we felt we were getting a good price." Tocco didn't respond to phone inquiries.

By contrast, a rate that may be the lowest in the suburbs, \$4.90 a home per month, can be found in Crestwood, according to Mayor Chester Straniczek. "We're paying less today than we were paying 10 years ago," he said. "That's strictly because of competition."

## Suburban garbage contracts

\$1 million or more a year

Municipality	Bid?	Contract holder	Annual payment
Naperville	Yes	Waste	\$2,300,000
Arlington Hts.	No	Laidlaw	2,040,000
Berwyn	Yes	Waste	2,039,000
Aurora	No	BFI	1,600,000
Mt. Prospect	Yes	BFI	1,500,000
Joliet	Yes	Waste	1,400,000
Oak Lawn	No	Waste	1,400,000
Wilmette	No	Laidlaw	1,400,000
Chicago Heights	No	Fitz. Bros	1,200,000
Hoffman Estates	Yes	BFI	1,140,000
Lombard	No	Lombard	1,100,000
Waukegan	No	BFI	1,020,000
Des Plaines	Yes	Laidlaw	1,000,000



**Key: Bid**—Whether current municipal waste disposal contract was issued through sealed bids. Contract is listed as no-bid if current contract was issued through a negotiated, no-bid contract extension, even if the work was bid in previous years.  
**Contract holder abbreviations:** **Waste**—Waste Management, Inc., or subsidiary.  
**BFI**—Browning-Ferris Industries Inc., or subsidiary. **Laidlaw**—Laidlaw Waste Systems Inc. or subsidiary. **Lombard**—Lombard Refuse Disposal Inc., Lombard.  
**Fitz. Bros**—Fitzpatrick Bros. Disposal Service Inc., South Chicago Heights.

Chicago Tribune Graphic

Tribune Photo by John Dziekan

# 2 giants squash mom-and-pop operations

By George Papajohn

Collecting new companies like so many Hefty bags along a residential route, Waste Management Inc. and Browning-Ferris Industries Inc. have become international giants in the waste industry over the last 20 years—and grown to be dominant forces in the Chicago area.

They are the garbage equivalent of 7-Eleven and White Hen Pantry, making surviving individual businesses seem quaint but irrelevant.

"They can snap their fingers and come up with five trucks, and I have to run to the bank," said Ken Vos, vice president of Best Scavenger Service, based in Glenview. "That does create a little bit of an advantage."

"It's harder to compete," said Richard Van Hatten, owner of National Scavenger Service Inc., a South Side hauler. "It's hard to make money in the business, period, without doing a lot of things that the small mom-and-pop operation can't do anymore."

Not only do Oak Brook-based Waste Management and Browning-Ferris, of Houston, control a

large number of municipal contracts in the Chicago area, they control most of the landfill space in the region's six counties. Along with their size, this gives them an edge in a time of uncertainty about the shrinking amount of space left for dumping.

A third company, Laidlaw Waste Systems Inc., of Burlington, Ontario, has emerged in recent years as a competitor that can sometimes rival the Big Two.

Laidlaw doesn't have the number of municipal contracts that Waste Management and Browning-Ferris do, but its contracts are lucrative. The Tribune survey of 201 towns found Laidlaw had \$7.6 million of business in 8 towns.

That, however, is the exception. Other haulers, not nearly in the same league as Waste Management and Browning-Ferris, have found it financially expedient to sell out to their larger rivals, or simply to close up shop.

The Chicago and Suburban Refuse Disposal Corp., the local haulers' association, had 106 members when it folded in 1983, according to Van Hatten, who used to be a board member. He estimates that

since then, about half have gone out of business or have been absorbed by Waste Management or Browning-Ferris. In 1971, the association had 180 members, he said.

Both Waste Management and Browning-Ferris evolved from small, local businesses to Goliath status.

Browning-Ferris' forbear was American Refuse Systems of Houston, founded as a one-truck hauler in 1967. Two years later, it merged with Browning-Ferris Machinery and began buying hauling firms—16 in one year.

BFI, as the company is known, bought National Disposal of Barrington in 1972 and Van Der Molen Disposal of Melrose Park in 1973, said Bob Piet, the company's regional landfill manager.

"And that's how BFI grew entirely in the Chicago market area was by acquisition," Piet said. More recently, he said, BFI acquired Rot's Disposal of Downers Grove, another company with a solid local base.

For the most recent fiscal year, BFI had a net income of \$137

million on sales of \$1.3 billion.

Waste Management's history has been similar. It incorporated in 1968 with Ace Partnership in Chicago and several south Florida waste haulers and then added Atlas Disposal, a major Chicago firm, in 1971, according to a company spokesman.

Using money from its public offering of stock later in 1971, Waste Management in 1972 expanded its Chicago operations in explosive style by purchasing eight companies: Meyer Brothers Scavenger Service, Clearing Disposal, Fox Valley Disposal, Garden City Disposal, HOD Disposal Service, McHenry-Woodstock Disposal, Banner/Western Disposal Service and Elgin-Wayne Disposal Contractors.

It has absorbed other companies since then, but the pace has slowed. The most noteworthy acquisition was its 1984 purchase of most of the assets of SCA Services Inc., one of the world's leading waste companies. Waste Management is now No. 1 in the world, with revenues of \$2 billion and net income of \$371 million for the most recent fiscal year.



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# IEPA hearings slated for site's sewer plans

BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates' 8-year-old battle with the Barrington communities to bring sewers to the expansive former Expo Park site will heat up again Tuesday when the two sides lock horns during an Illinois Environmental Protection Agency hearings.

For the third time since annexing the tract in 1980, Hoffman Estates is asking the IEPA to approve its request to remove 1,368 acres north of the Northwest Tollway from the Barrington sewer district — which cannot handle the sewage from such a large parcel — and connect to Elgin's district.

The IEPA hearing is scheduled 10 a.m. to 5 p.m. Tuesday through Thursday at the Blackhawk Community Center, 1685 W. Higgins Road, Hoffman Estates.

The sewer battle centers on an 1,100-acre site once tabbed for an international exposition center between Higgins Road and the tollway, plus 268 acres enveloping Poplar Creek Music Theatre. The 921-acre Beverly residential development also was

planned at one time for the site.

Hoffman Estates Village Manager Peter T. Burchard said the issue to be addressed in the hearing is water quality management, but representatives of the Barrington Area Council of Governments said it's an issue of trying to get sewers without having definite plans.

"In order for the property to become viable for development, this hearing process needs to result in a positive order from the IEPA," Burchard said.

But the Hoffman Estates request has been a thorn in the side of the neighboring Barrington communities, towns fighting to maintain a countryside flavor they fear would be threatened by high density projects the site is expected to attract — projects such as Expo Park and Beverly, said BACOG director Donald Klein.

"They want the sewers so they can peddle the property," Klein said. "They say they can't talk to developers without sewers. I find that completely undesirable. Sewers would give them carte blanche to do whatever they want there."

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# Hoffman scores in sewer hearings

BY STEVE GORECKI  
Daily Herald Staff Writer

Routing sewers from a massive piece of undeveloped land in western Hoffman Estates to Elgin instead of Barrington is a more prudent option, an engineer said Tuesday at a long-awaited hearing on the issue.

William J. Cadigan, vice president of a Chicago engineering and consulting firm hired by the owner of the site, told an Illinois Environmental Protection Agency hearing officer that construction and operating costs for the sewage system over a 20-year period would be about \$10.8 million for the three-mile route to Elgin versus \$29 million for the six-mile route to Barrington.

Cadigan's testimony came as the IEPA opened its hearing to consider Hoffman Estates' request to remove a 1,368-acre tract north of the Northwest Tollway from the Barrington sewer district and connect to Elgin's sewer district.

Hoffman Estates Village President Betty J. Gloyd testified the village is hoping to broaden its tax base by development of the site for commercial, office and high-technology industrial use.

But Hoffman Estates officials say no plans are in the works for the land now that a grandiose proposal for a world trade center, known as Expo Park, has been dropped.

That is a bone of contention for the neighboring Barrington com-

munities who say Hoffman Estates wants sewers at the site to lure developers with high density projects that would threaten the surrounding countryside atmosphere.

Donald Klein, who has fought development of the land for years as the executive director of the Barrington Area Council of Governments, argued Hoffman Estates' request is "based on pure conjecture. The more things change the more they stay the same."

Also testifying for Hoffman Estates at the hearing was real estate broker Leonard Caldiera of LaSalle Partners, who says the "reasonable expectation of sewers and water" being available on a site is crucial for the land to be developed.

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# Strip shopping center awaits board approval

BY STEVE GORECKI  
and DWAYNE T. WONG  
Daily Herald staff writers

Despite a second negative recommendation in two months, representatives for a proposed strip shopping center in Hoffman Estates hope village trustees today will overrule the decision and approve their proposal.

Developer John J. Terzakis of the Regional Development Co. of Bridgeview wants to build the Park Plaza Shopping Center at Barrington and Bode roads. Plan commissioners for the second time in two months voted against the plans, citing parking lot traffic and congestion as their major concerns.

Hoffman Estates village trustees sent the shopping center plans back to planners for a second look last month after the developer said the alternative was to take advantage of a nine-year-old court ruling that permits a tire store on the three-quarter-acre site.

John R. Rafferty, attorney for the developer, repeated those warnings after the latest plan commission ruling but remained hopeful the village

board would rule differently.

"We have every hope and expectation that they will reverse the plan commission," Rafferty said. "We think (the shopping center) is a superior use, certainly over the tire store."

Tenants lined up to occupy the strip center include a Blockbuster video rental outlet, a doctor's office, a dry cleaner and J.J. Peppers.

If the village board agrees with planners and kills the shopping center plans, Rafferty said Terzakis would be prepared to build a tire store or oil change shop on the site.

"We have completed plans for both projects and we'll be prepared to proceed with building permits on Tuesday morning for one or the other," he said. "We sincerely hope it's for...the shopping center."

The village board in 1978 followed the plan commission's recommendation and rejected plans for a Northwest Tire shop at the site. Rafferty took his case to court and won the right to build the tire store. But at the urging of a neighboring developer, Terzakis opted for the shopping center.

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# Car dealership will not hurt value, say experts

By DWAYNE T. WONG  
and STEVE GORECKI  
Daily Herald staff writers

Real estate experts for Fireside Chrysler-Plymouth say a move to Hoffman Estates will not hurt surrounding house values, a contention likely to be disputed when residents get their chance to speak at a Dec. 16 hearing.

Chicago real estate appraiser Theodore R. Kowalski testified this week for the dealership, saying it would "not have an adverse affect on adjoining properties" because it would be a "low intensity" use for the site.

Allan Gaines, president of Fireside Chrysler-Plymouth, Inc., wants to move his Schaumburg car dealership to a site in Hoffman Estates on Golf Road, just west of Kingsdale Road.

But the site is located about 130 feet from houses in the Hoffman Hills subdivision, houses valued at between \$110,000 and \$200,000, Kowalski said.

Many residents there are protesting the dealership plans and have organized a homeowners association called the Southwest Hoffman Estates Neighborhood Council.

The residents likely will have an opportunity to express their opposition to the plans when the Hoffman Estates plan commission continues its public hearing Dec. 16.

Meanwhile, Fireside officials were forced to defend their landscaping plans for the proposed \$3.5 million facility.

Planner Paul Bednar, a frequent watchdog for landscaping concerns, reminded Gaines his plans will require more extensive landscaping

because of the proximity to houses.

In an effort to buffer houses to the east and north, Lake Bluff-based landscaping architect Bernard Rosauer earlier proposed a \$115,000 combination of trees, evergreens and ornamental shrubs.

Bednar said the landscaping plans for the perimeter of the dealership were impressive but called the rest of the site "a sea of asphalt."

Wilton L. Battles, a planning and zoning consultant for Fireside, cautioned planners not to attempt to turn the 7.5-acre dealership into a "forest preserve."

Fireside officials also testified poor soil quality and heavy Golf Road traffic make the site a poor candidate for house construction, an option some residents prefer.

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# Hoffman won't take stand on senior complex

BY STEVE GORECKI  
Daily Herald Staff Writer

Despite the urgings of Hoffman Estate village officials, the village board Monday refused to take a position on a five-story senior citizens complex being planned near its border.

Village trustees voted 4 to 2 to not take any stand on plans by Barrington Hills resident Richard M. Barancik to build a senior citizens facility on an 11.8 acre parcel at the southeast corner of Barrington and Algon-

quin roads.

The property is located in unincorporated Cook County near South Barrington and about one mile from Hoffman Estate borders.

Barancik is seeking a special permit from Cook County, letting him build on the site, which is now zoned for houses on five acre lots. The Cook County Zoning Board of Appeals is recommending approval of the project.

The issue is expected to come up for approval before the full Cook County board on Dec. 21.

South Barrington and Barrington Hills have already informed the county of their opposition to the plans.

Hoffman Estates Village Manager Peter T. Burchard told village trustees that opposing the plans would be "in the best interest" of the village because of concerns about traffic, and water and sewer service for the planned 292-unit facility.

But village trustee Michael J. O'Malley said opposing the plan because of concerns about a planned on-site sewage system would be akin

to similar stances taken by Barrington area officials against Hoffman Estate proposals.

"What we're doing is the same thing we're accusing BACOG (Barrington Area Council of Government) of doing," O'Malley said.

Village President Betty J. Gloyd wanted the board to oppose the plans, saying the on-site sewage treatment coupled with a planned well water system "is not a very healthy way of developing that property. I don't feel that's the type of project we need at that corner."

# Trustees weed out budget requests

BY STEVE GORECKI  
Daily Herald Staff Writer

A purchasing agent for the finance department and a special census appear to be "in," but an administrative assistant for the public works director apparently is "out" in preliminary discussions of Hoffman Estates' 1988-89 spending plan.

Hoffman Estates village trustees are receptive to a request for a purchasing agent to oversee all the town's buying needs, a task now routinely handled by individual department heads and overseen by Finance Director Douglas R. Ellsworth.

The village board also is leaning toward spending about \$62,500 for a special census likely to reap as much \$150,000 annually in extra state gasoline tax revenue, which is based on population, generated by an expected increase of more than 2,200 residents. The village also would receive a smaller increase in state income taxes, also based on population.

But quick to be stricken from the Public Works Department's "wish list" was a call for an administrative assistant to do such things as supervise special projects and act as an ombudsman for residents' complaints and inquiries.

The preliminary budget proposals are part of the village board's effort for earlier involvement in the review process, normally undertaken in February and March. Trustees say they want to see initial department wish lists before Village Manager Peter T. Burchard cuts "fat" from the budget.

Trustee Susan H. Kenley balked at the proposed public works assistant, saying, "People don't want to talk to the administrative assistant. Residents who call want to talk to the director. I would be reluctant to spend money for that."

Ellsworth, arguing for the full-time purchasing agent, says most of the \$30,000 annual salary would be offset by savings likely to result from better investigation of prices and consolidation of purchases.

The Community Development Department's proposed 1988 census, sought because of increased residential construction in the last three years, is expected to place the village population at about 43,000 people, Burchard says.

(Indicate page, name of newspaper, city and state.) *P. 1 Daily Herald*

Date: *11-30-87*

Edition: *Hoffman Estates / Schaumburg*

Title: *Trustees weed out budget requests*

Character:

or

Classification: *194C 779*

Submitting Office: *Chicago*

Indexing: *194C 779 Sub E-20*

SEARCHED	INDEXED
SERIALIZED <i>mc</i>	FILED <i>mc</i>
DEC 17 1987	
CHICAGO	

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(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.) *p. 1 sec-1 Daily Herald*Date: *12-23-87*  
Edition: *Schaumburg/Hoffman Estates*Title: *Trustees fire law firm...*

Character:

or

Classification:

Submitting Office:

*194C779**Chicago*

Indexing:

*Sub E 21*

SEARCHED	INDEXED
SERIALIZED <i>me</i>	FILED <i>me</i>
DEC 23 1987	
FBI - CHICAGO	

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b7c

# Trustees fire law firm for criticizing board

BY LAURA JANOTA  
Daily Herald Staff Writer

Hoffman Estates trustees have fired a Chicago law firm defending the village in a zoning lawsuit because Village President Betty J. Gloyd took free advice from a lawyer in the firm which criticizes trustees' decision making, trustees say.

The village board, in a 5 to 1 vote, terminated its contract with Ancel, Glink, Diamond, Murphy & Cope Monday, as some trustees said they had lost confidence in the firm.

The board's action came after trustees received copies of a legal opinion from Stewart H. Diamond which said that Gloyd's powers are being weakened by the board.

The law firm has been defending the village against a lawsuit in the 7th U.S. Court of Appeals by developer James Young. Young claims his civil rights were denied when trustees rejected plans for a \$20-million office complex at Golf and Barrington roads. A new attorney has not been selected by the board.

Gloyd said she received a letter

from Diamond after asking him about appointment powers at a meeting of the Illinois Municipal League in October. Diamond was there to make a presentation on his specialty, municipal law.

Gloyd said she believes her power to appoint commission members is being diluted by the village board, which has decided to make the appointments by resolution instead of ordinance.

The resolution method, approved by village corporation counsel Richard N. Williams, allows trustees to

make nominations for village commissions, taking away Gloyd's sole authority over the appointments. The dispute has held up permanent appointments to some of the commissions.

But Diamond, who was not available for comment, said in a letter that the board's action probably would not stand up if challenged in court.

"A direct effort has been made to restructure your municipal govern-

See TRUSTEES on Page 4

## TRUSTEES: Law firm fired for its advice

Continued from Page 1

ment to make the President weaker and the Board stronger," Diamond wrote.

"A change could be accomplished by referendum but neither a home-rule nor non-home rule community possesses the power to dilute the function of the executive branch."

The legal opinion, distributed by Gloyd, prompted five of six trustees to say they have lost confidence in

Diamond's law firm to complete work in the Young appellate case.

"The law firm can't have a split personality in defending the trustees on one issue and then turning around and giving adversarial legal advice to the president on another issue," Trustee Michael D. Friesen said.

But Trustee Richard A. Cochran opposed the firing because the law firm is an expert in zoning matters. The village's case is at a "critical" stage, he said.



(Mount Clipping in Space Below)

# Board puts an end to village Christmas cards

BY LAURA JANOTA  
Daily Herald Staff Writer

No more Christmas cards will be sent courtesy of the village of Hoffman Estates because of concerns by village trustees that Village President Betty J. Gloyd is using the season's greetings for political gain.

The printed cards, sent to village employees and businesses, offer "Best Wishes for the New Year" from the "Village of Hoffman Estates President and Board of Trustees."

About \$275 in village funds were spent on the cards, Finance Director Douglas-Ellsworth said.

Gloyd personally signed all the cards with her name and a holiday message. In one of the 500 to 700 cards sent out this month, Gloyd wrote: "May God bless you and your family in this Holiday season."

Trustees reprimanded the village president Monday and agreed in a 5 to 1 vote to discontinue the practice of sending Christmas cards courtesy of the village. The cards had been sent out by the village since 1985 — Gloyd's first year in office.

Trustee Bruce C. Lind said Gloyd's adding of a personal touch to village Christmas cards is "a political move" that "has gotten out of hand."

"One of the big things is to get your name out to people," Lind said. "When you open up the card her name jumps out at you."

Trustee Michael D. Friesen added that the cards are unnecessary.

"We already pay for a holiday party for the employees," Friesen said. "Most of the businesses in town would probably not think one way or another based on the deluge of other cards they get."

But Gloyd said the cards are worthwhile because the village so seldom gets to express appreciation to employees or business people.

"Signing those cards was really a labor of love for me," Gloyd said. "This is the height of pettiness. It's very sad that they don't have the spirit of Christmas in them," she added.

Trustee Michael J. O'Malley said the Christmas cards should be continued only if all trustees' signatures, along with Gloyd's, appeared on the cards.

(Indicate page, name of newspaper, city and state.) p. 1 Sec. 2 Daily Herald

Date: 12/23/87  
Edition: Schaumburg/Hoffman Estate

Title: Board puts end...

Character:  
or  
Classification: 194C 779  
Submitting Office: Chicago

Indexing: Sub E 27

SEARCHED	INDEXED
SERIALIZED <i>mc</i>	FILED <i>mc</i>
DEC 23 1987	
FBI — CHICAGO	

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(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

*Daily Herald*

Date: 12-29-87

Edition: *Schaumburg/Hoffman Estates*Title: *Townhouses proposed for golf course*

Character:

or

Classification: 194C 779

Submitting Office:

Indexing: 194C 779 Sub E 23

SEARCHED	INDEXED
SERIALIZED <i>MC</i>	FILED <i>MC</i>
DEC 29 1987	
FBI - CHICAGO	
<i>DS</i>	

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## Neighbor

**Hoffman Estates  
Schaumburg**

SECTION

3

# Town houses proposed for golf course

BY LAURA JANOTA  
Daily Herald Staff Writer

Developer James V. Young is proposing a 76-unit luxury town house development for an 11-acre site overlooking the Poplar Creek Golf Course in Hoffman Estates.

Called The Fairways of Poplar Creek, the project is to be located southwest of Moon Lake Boulevard at Volid Drive and would feature two- and three-bedroom units with whirlpools, fireplaces, basements and two-car garages. Prices would range from about \$150,000 to \$190,000 each.

"This is going to be one of the finest products in the Hoffman Estates area," said Young of the proposed town houses which will resemble the

developer's adjacent 169-unit Clubhomes of Poplar Creek.

The land parcel, one of about five still remaining to be built in the Young Development Inc.'s long planned and underway Poplar Creek subdivision, originally was designated for apartments, said Richard C. Unwin, director of planning in Hoffman Estates.

"It was labeled as a high-rise apartment site," Unwin said. "But we probably will have no objection whatsoever to the latest plan. We would prefer not to see the high-density apartments."

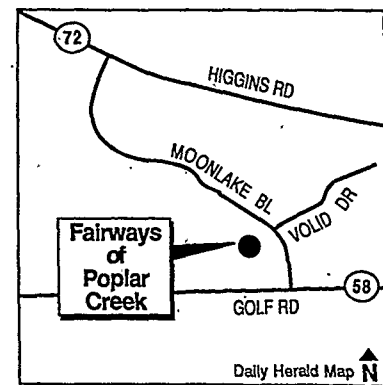
Young said market conditions are more favorable for luxury town houses than apartments to go up alongside the golf course.

Young also has proposed a 354-room Radisson Plaza Hotel at the golf course and the Poplar Creek Corporate Center, an office park at Barrington and Golf roads which the village refused to permit.

Young has sued the village over the decision, now being tested in the 7th U.S. Circuit Court of Appeals. A lower federal court threw out Young's suit.

Construction on The Fairways is tentatively scheduled for the spring, Young said, but the project will have to go before the Hoffman Estates Plan Commission and village board for consideration.

Unwin said the proposal will be considered by the plan commission,



some time in January. The development is likely to offer the most expensive town houses in Hoffman Estates, he added.

(Mount Clipping in Space Below)

## Radisson hotel put on hold until builder secures funds

BY LAURA JANOTA  
Daily Herald Staff Writer

Plans to build a luxury Radisson Plaza Hotel in Hoffman Estates will be delayed several more months as the developer of the proposal scrambles to secure financing for the estimated \$40 million project.

James V. Young, president of Young Development Inc. of Hoffman Estates, said the 354-room hotel, which would be Hoffman Estates' first upscale lodging facility, is on hold but not dead.

The hotel is proposed for more than 12 acres at the southeast corner of Moon Lake Boulevard and Eric Drive.

It received preliminary approval from the village board in April. Builders promised a groundbreaking by October 1987.

But Young says that schedule changed recently when the project's major institutional investor, Lyons Federal Trust and Savings Bank, encountered financial difficulties and had to back out of the deal.

"It's not killed but it is on hold

while we restructure the financing," Young said.

Young's group has found another institutional investor for the project, he said, and negotiations now are under way. But Young refused to name the new investor.

"I anticipate we'll be back on track some time next year," he said.

But even with a new investor, it won't necessarily mean a change in any of the proposed features of the Radisson, Young said. The hotel includes an eight-story central tower and two three-to-five story wings.

Young has agreed to extend Eric Drive south to Golf Road at a cost of about \$2.1 million before the hotel is built. A final site plan and final engineering plans must be submitted and other conditions met before the project receives final approval.

Hoffman Estates Community Development Director Richard C. Unwin said the village has not yet received final plans.

But Unwin said the Radisson would be a "very positive thing" for the village.

(Indicate page, name of newspaper, city and state.)  
p. 1, Sec. 1  
Daily Herald

Date: 12-29-87

Edition: Schaumburg/Hoffman Estates

Title: Radisson Hotel put on hold...

Character:

or

Classification:

Submitting Office: 194C 779

Indexing: 194C 779 Sub E 249

SEARCHED	INDEXED
SERIALIZED <i>me</i>	FILED <i>me</i>
DEC 29 1987	
FBI - CHICAGO	

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SQUAD CLERK 7A

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)  
*Sec. 1 page 1*  
*Daily Herald*Date: *1-4-88*  
Edition: *Hoffman Estate*  
*Schaumburg.*Title: *New vote sought on*  
*Hoffman clerk*

Character:

or

Classification:

Submitting Office: *194C 779**CHICAGO*Indexing: *194C 779 Sub E 25*

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 4 1988	
FBI — CHICAGO	
	<i>Oct</i>

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## New vote sought on Hoffman clerk

BY LAURA JANOTA  
and SEAN HANLON  
Daily Herald staff writers

A referendum is being proposed again that would ask Hoffman Estates residents to abolish the elected position of village clerk, making it an appointed post under the Hoffman Estates village manager.

And although two trustees favored putting the question on the ballot in March 1989, two others say they oppose a referendum on the proposal in spite of a positive recommendation from a ad hoc referendum committee.

Trustee Susan H. Kenley, who favors bringing the question to voters, said the village clerk's office, mostly administrative, should answer to the

village manager instead of voters.

Anne S. von Sothen became village clerk in 1983, filling out the unexpired term of Helen Wozniak. Von Sothen won her first elected term in 1985.

The referendum proposal, which must be approved today by the Hoffman Estates village board if the question is to be put on the ballot, proposes the election of village clerk stop when von Sothen's term ends in 1989.

Von Sothen is undecided on whether she will seek re-election in 1989.

The clerk's post is a full-time job, paying \$20,000 annually. Duties include business and liquor licensing, keeper of the records and taking minutes at village board meetings.

"I'm not in favor of an appointed clerk," von Sothen said. "The clerk is so actively involved with the public. The electorate should have a say-so on who holds the office."

The village board voted last summer 5 to 1 against a similar referendum plan because it was viewed as a personal attack on von Sothen.

The matter first came to a head while von Sothen was in the middle of an extended illness and couldn't perform her regular duties. Helen Wozniak, who was clerk before von Sothen, also suffered an extended illness while in office.

Trustee Michael J. O'Malley said he hoped "that we would have more of a heart than just to terminate somebody because they're sick."

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

DAILY HERALD

Date: 1-12-88

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title: Hoffman trustee irked  
by cable rate increase

Character:

or

Classification: 194C - ~~779~~ 779

Submitting Office:

CHICAGO

Indexing:

194C ~~779~~ Sub E-

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 12 1988	
FBI - CHICAGO	

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b7C

## Hoffman trustee irked by cable rate increase

BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates Trustee William D. McLeod said Monday a cable television firm's supposed ignorance of a rate increase by the company it wants to buy out further damages its credibility among five Northwest suburbs it hopes to serve.

American Cablesystems plans to increase its basic service rate by \$1 a month beginning April 1. The increase represents a 3 percent hike in the bill of most American customers, who pay about \$30 per month for cable TV service.

The village has no power to regulate cable television fees but must be informed of the changes 90 days before they take effect.

American, a suburban cable firm serving Hoffman Estates, Elk Grove Village, Buffalo Grove, Palatine and Rolling Meadows, is being bought out by Continental Cablevision.

The \$1 service increase would be maintained by Continental, McLeod said.

McLeod said representatives of Continental told village officials last month no rate hikes were planned by the firm after the buyout.

But McLeod said Continental must have known about the rate hike and called the firm's attempt to lay responsibility solely on American "a lot of hokey."

"It is one of the items that lends to a credibility problem with Continental," McLeod said. "Obviously they

knew about the increase. It was foolish for them to say no rate increase was planned and then the next month an increase is announced. It damages their credibility."

Continental officials were not present at Monday's village board meeting, but will meet Thursday with representatives of the five-town regional cable television committee in hopes of ironing out details of the transfer from American to Continental.

Members of the regional group have expressed concern about Continental's credibility in the wake of negative comments that turned up during a routine reference check from other towns served by the firm.

SQUAD CLERK

7A

# Village targets licensing scofflaws

BY STEVE GORECKI  
Daily Herald Staff Writer

Village inspectors will step up efforts to find business license scofflaws in the wake of a Hoffman Estates village trustee's complaint about licensing inconsistencies.

Trustee Michael J. O'Malley this week called for the village to dump the licensing process altogether or ensure that all similar businesses are licensed equally. O'Malley refused to name firms but says he regularly spots licensed and non-licensed companies in town engaged

in the same business.

"If you're going to have licensing, either everyone who's supposed to have them gets one or nobody has them," O'Malley said. "You can't have some people doing it and some people not doing it. I would like to see a uniform attempt where everyone has a license or everyone doesn't."

There are several professional businesses exempt from the business license requirement, such as realtors, accountants, doctors and lawyers. But most firms must have licenses, with businesses like food

stores having multiple fees to cover different areas requiring licensing.

Rapid business turnovers and inability to keep up with all new firms coming into town compound the problem, village officials said. Village Corporation Counsel Richard N. Williams said some firms are not licensed because "we haven't found them yet."

The village hopes to track down offenders by coordinating efforts between the village clerk's office and the code enforcement department.

Currently fire inspectors inform the village clerk of missing business

licenses. Now code enforcement inspectors also will be on the lookout for businesses which have not paid their license fees, O'Malley said.

"Some of these larger, newer office parks we need to take a walk-through. Code enforcement will be available to help," Village Manager Peter T. Burchard said. "But a building can be inspected and the tenants vacate the next month. The new tenants won't voluntarily ask the village if they owe some more money. It's usually the type of thing we have to find on our own."

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

See 2 pages  
DAILY HERALD

Date: 1-13-88

Edition: SCHUMBUER / HOFFMAN ESTATE

Title: Village targets scofflaws

Character: *Recurring Scofflaws*

Classification: 194C-779

Submitting Office: CHICAGO

Indexing: 194C779 sub E-27

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 15 1988	
FBI/DOJ	

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b7C



# Politicking at event is feared

BY STEVE GORECKI  
Daily Herald Staff Writer

Organizers of next year's 30th anniversary celebration are planning an ambitious \$32,000 extravaganza that has Hoffman Estates village trustees concerned politics will creep into some of the activities.

Because 1989 also is the year of a village board election, Trustee Bruce C. Lind opposes sending businesses fund-raising letters with just the signature of Village President Betty J. Gloyd accompanying that of 30th anniversary commission Chairman Jill T. Blodgett. He also cautioned the chairman to not include pictures of board members in a commemorative calendar unless the photos include the entire panel.

Trustee Michael D. Friesen, meanwhile, objects to plans for the pastor of Gloyd's church to write a newspaper column which would answer questions from citizens about the history of Hoffman Estates. Friesen said village historian Barbara Adrianopoli should do the column instead of Rev. Deborah Fisher, pastor of Our Saviour's United Methodist Church of Hoffman Estates.

Lind said he wants the anniversary issues settled now before any materials are printed.

"Since it's an election year there may be some people who want to use the commission and its material for their political gain," Lind said.

While Gloyd said she does not object to the trustees' concerns about the calendar pictures and signatures, she said the village president's signature would "give more credibility to it being a village-sanctioned function."

Gloyd said she doesn't think her pastor's column would become political. "Just because she happens to be someone I know should not keep her from participating," she said. "It gets to be a little ridiculous."

Said Friesen: "It does not look good for the minister at Betty Gloyd's and Jill Blodgett's church to be writing such a column in an election year. I'm concerned about the political impression it leaves."

(Indicate page, name of *p 1, sec. 1*  
newspaper, city and state.)

DAILY HERALD

Date: *1-15-88*

Edition:  
SCHAUMBURG / HOFFMAN ESTATE

Title: *Politicking as event  
is feared*

Character:

or

Classification: *194 C-779*

Submitting Office:  
CHICAGO

Indexing: *194C779  
Sub E-28*

SEARCHED	INDEXED
SERIALIZED <i>LK</i>	FILED <i>LK</i>
JAN 15 1988	
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(Indicate page, name of newspaper, city and state.)

DAILY HERALD

Date: 1-15-88

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title: Developers destroyed wetlands

Character:

or

Classification: 194 C-779

Submitting Office:

CHICAGO

Indexing:

194 C779 Sub E-29

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 15 1988	
CHICAGO	

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# Developers destroyed wetlands, says EPA

BY KATHY SCHAEFFER  
Daily Herald Staff Writer

Declaring a war to defend the nation's wetlands, the U.S. Environmental Protection Agency Tuesday charged three developers — including two in the Northwest suburbs — with destroying the protected areas.

The EPA announced in Chicago that it is seeking a \$125,000 fine against The Hoffman Group of Hoffman Estates and a \$15,000 fine against the Kirk Corp. of Streamwood. An Andover, Minn. developer also was accused of destroying wetlands, which are considered vital to

the ecology and for flood control.

The three were targeted in the agency's first round of charges based on the new strengthened provisions of the U.S. Clean Water Act of 1987.

"Let it be a clear signal to developers throughout the country," said Valdas V. Adamkus, regional administrator for the agency. "The EPA will no longer tolerate the wanton destruction of such a valuable and endangered resource as wetlands."

The Hoffman Group allegedly filled in 6.2 acres of wetlands adjacent to the Schaumburg branch of Poplar Creek to build the 80-home Victoria Crossing development at Bode Road and Braintree Drive in Hoffman Estates.

Kirk Corp. allegedly filled in one acre of an 18-acre wetland site to build a sales office trailer for the Oak Ridge Trails housing development at routes 59 and 19 near Streamwood.

EPA officials charge the companies were in the process of negotiating with the U.S. Army Corps of Engineers to protect the wetlands, but then went ahead anyway and filled them. In addition to the fines, the EPA will pursue Clean Water Act powers to negotiate ways for the de-



Wetlands back up to Victoria Crossing in Hoffman Estates.

Daily Herald Photo/Jon Kirm

velopers to replace wetlands elsewhere, officials said.

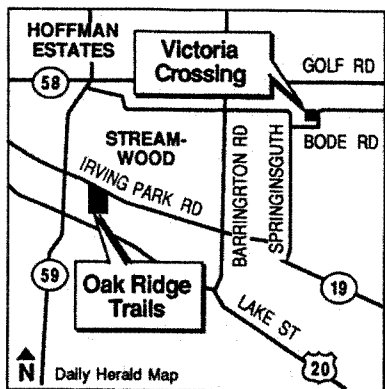
"Wetlands are one of the most precious and environmentally productive ecological systems on earth," Adamkus said.

Adamkus said wetlands also provide flood control during heavy rain storms such as the two that produced major flooding during the past

15 months. Wetlands are marshes, swamps and bogs that develop between water and dry land.

According to the charges announced Tuesday, Hoffman filled in the wetlands in March 1986 and applied for an EPA permit after the fact. The permit was denied in

See WETLANDS on Page 3



Daily Herald Map

# WETLANDS: Developers charged with destruction

*Continued from Page 1*

November 1987. In December, the EPA ordered The Hoffman Group to remove the unauthorized fill and the houses and restore the wetland.

"In reality," Adamkus said, "they're not going to go out and tear down those houses and restore the wetlands."

In a written statement Tuesday, the Hoffman Group said, "The Hoffman Group Inc. has been working closely with the Army Corps of Engineers since May of 1986 when we were first notified that 6.5 acres of land were identified as filled wetlands. We immediately applied for a

permit with the Army Corps of Engineers and discussed solutions to this problem that were being considered by the Corps.

"Our permit was denied six weeks ago on Nov. 23, 1987 and the next day we contacted the U.S. EPA to present our solutions to this problem. The U.S. EPA did not have the file at that time, but promised they would call us. On Jan. 4, 1988 we were notified by the U.S. EPA that we were in violation and we continued to work toward a solution in good faith."

Then, according to the statement, the EPA and Hoffman agreed to discuss the matter again this Friday.

(Mount Clipping in Space Below)

(Indicate page, name of *Sec. 6 p. 1*  
newspaper, city and state.)

DAILY HERALD

Date: 1-15-88

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title: ① *Inn faces... rebut...*  
② *Housing construction...*

Character:

or

Classification: 194C-779

Submitting Office:

CHICAGO

Indexing:

194C 779

Sub E-30

SEARCHED	INDEXED
SERIALIZED <i>CK</i>	FILED <i>CK</i>
JAN 15 1988	
FBI - CHICAGO	

# Housing construction to begin this spring

BY LAURA JANOTA  
Daily Herald Staff Writer

Plans for a 49-acre mixed residential development on Busse farm will likely proceed some time this spring now that the Schaumburg village board has granted final approval for the project.

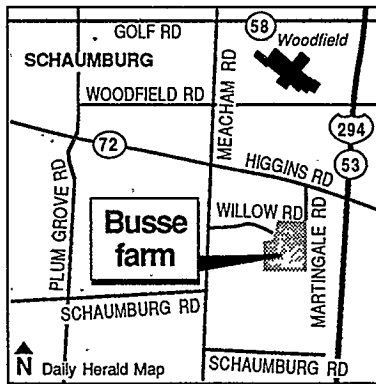
Kimball Hill Inc. of Rolling Meadows will build 185 units, including town houses and homes on the site south of the Lexington Fields Estates subdivision and east of Prudential Insurance Co.'s Woodfield Corporate Center and Martingale Road.

The land was annexed, and the proposed development approved, by the village Tuesday. All that remains to be worked out is wording contained in the homeowner's association by-laws, village officials said.

The project, which includes four types of owner-occupied units, is being geared toward empty nesters, a group that enjoys owning a home but does not want the responsibilities of maintenance.

Those tasks would be taken on by a homeowners association.

Located at the southwest end of the site will be eight luxury houses. There will be 32 village homes — a



single-family house in which the owner pays association assessments.

Patterned after the new Lake Arlington Towne project at Palatine and Schoenbeck roads in Arlington Heights, the development, called "Haverford," would be built around a lake.

Ball fields and a wetlands area also are planned for the site.

Directly to the south, Lincoln Development Co. of Chicago has received village approval to build 576 apartments, 63 houses, 139 townhouses and a 14-acre commercial development.

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b7C

# Inn faces likely rebut from town

BY DWAYNE T. WONG  
and STEVE GORECKI  
Daily Herald Staff Writers

New attempts by Red Roof Inn officials to convince Hoffman Estates planners about the need for a 122-room motel again were met with skepticism and strong rebuttals indicating a rocky road ahead for the 2-year-old plans.

The town's commission wrapped up its 3-month-old public hearing on the plans this week, giving strong hints that a negative recommendation is likely when the panel votes Feb. 10.

New traffic and economic impact reports, plus the testimony of additional expert witnesses for Red Roof Inn, did not appear to change the minds of planners balking at the proposal for an inn at the northeast corner of Hassell Road and Pembroke Avenue.

The Ohio-based chain has tried since 1986 to win approval for plans

for a motel at the 2.4-acre site, now zoned for light-industrial use. The village board in April 1986 rejected the plans, expressing concerns about traffic, truck parking and a belief the motel chain did not make a case for rezoning to commercial use.

Since last fall, Red Roof Inn has been trying, apparently with little luck, to convince both the zoning board of appeals and plan commission there have been changes warranting a second look so soon after the first denial.

Planners this week challenged claims by consultants that the hotel, located near a Budgetel Inn and the site of a future La Quinta Inn, would not adversely affect traffic in the area and would benefit the village through expected tax revenue.

Jerry Salzman, senior associate with the Evanston-based engineering firm Barton Asch, told planners, "It's clear the motel would benefit the area."

Salzman says a traffic study by his firm indicates the motel would not significantly impact traffic on Hassell Road if additional turning lanes were added at the Barrington and Hassell roads intersection.

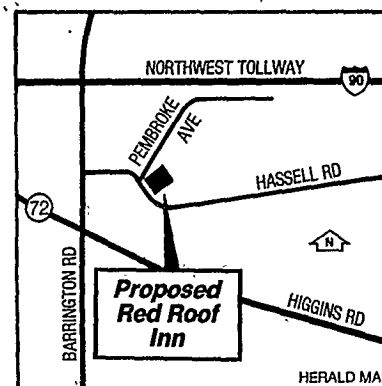
But planner Eric Stral disputed the firm's findings, adding, "There isn't room at that intersection for an extra lane."

Plan commission Chairman Arnold Green says, "Since the first hearing, traffic hasn't changed (at Hassell Road and Pembroke Avenue), numbers haven't changed."

Commission members also remain concerned about the motel attracting truckers who may park their rigs on side streets or private property because of the planned prohibition of trucks parking in the motel lot.

"It will happen," Green says. "I stay in Red Roof Inns around the country and I see it in every one I stay in."

The plan commission continued to urge Red Roof Inn to consider relo-



cating to a site further south of the Hassell Road location, one of the last small sites in Hoffman Estates zoned for manufacturing uses.

But Red Roof Inn officials say such a move would place the inn too far from the hotel "cluster" and would not be easily accessible or visible from the Northwest Tollway to the north.

# Trustees pass plan for 30th anniversary

By STEVE GORECKI  
Daily Herald Staff Writer

In the wake of concerns about politics creeping into next year's 30th anniversary celebration, Hoffman Estates trustees Monday took steps to ensure the event's organizers are accountable to the village board for all actions and expenses.

Trustee Michael D. Friesen proposed that all of the activities planned for the \$32,000 extravaganza in 1989 be reviewed by the village board prior to their enactment.

The action comes one week after Friesen and other trustees balked at some anniversary plans because of fears that the politics of the 1989 village board election could find a way into the celebration.

Friesen's plans, which was approved by the board, called for village board approval of all plans, expenses, surplus cash donations to charity and the inclusion of all village board members' signatures on fund-raising material planned.

Trustee Richard A. Cochran wanted to review the proposal further, saying he was against such "scrutiny" of the volunteer panel.

Trustee Bruce C. Lind, who last week opposed the idea of sending anniversary fund-raising letters with only the signature of Village President Betty J. Gloyd, denounced plans to spend four times as much in 1989 as was spent for the town's 25th anniversary.

"I don't think the 30th anniversary should overshadow the 25th. Normally when someone has an anniversary, it's on the 25th or 50th," Lind said.

Gloyd, who called the detailed review process "nitpicking," said she does not care how much money is spent, "as long as they raise enough to cover it."

But Friesen called the measure "a safety net" for the board, adding, "If the commission can raise all the money, that will solve all the concerns."

Trustee William D. McLeod agreed with Friesen, saying, "I think it's very appropriate to review each of the items as they come up. The question (of whether) all of the money can be raised is a big question."

Lind has said he wants all of the anniversary issues settled before any materials are printed.

He had also cautioned the anniversary commission not to include pictures of board members in a commemorative calendar unless the photos include the entire panel.

(Indicate page, name of newspaper, city and state.)

DAILY HERALD

Date: 1/19/88

Edition: SCHAUMBURG / HOFFMAN ESTATE

Title: Trustees pass plan...  
30th anniversary.

Character:

or  
Classification: 194C-779

Submitting Office: CHICAGO

Indexing:

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SEARCHED	INDEXED
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JAN 19 1988	
FBI - CHICAGO	

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FILED

(Mount Clipping in Space Below)

## Village joins group to fight traffic woes

By STEVE GORECKI  
Daily Herald Staff Writer

The village of Hoffman Estates is formally throwing its support behind a new regional effort to combat Northwest suburban traffic problems by paying the \$350 annual fee to become a charter member of Transport.

Hoffman Estates Village President Betty J. Gloyd and Village Manager Peter T. Burchard have served on Transport committees throughout 1987, the year the organization was founded.

But this year Transport is seeking a financial base to get its programs started and is asking members from both the public and private sector to pay annual fees.

Transport was created by the Northwest Municipal Conference as a result of a two-year, \$200,000 Transportation Partnership Task Force study of growing traffic problems in the Northwest suburbs. The group also will get funding from a Regional Transportation Authority grant.

"The issues are much broader and the problems much more serious than can be handled by only the public sector. You have to have the private sector involved, too," Gloyd said.

The Hoffman Estates village board approved the membership this week and selected Trustee Michael J. O'Malley to fill the third slot available to all dues-paying communities.

Transport is expected to study road improvements, mass transportation and other ideas in an effort to reduce the number of vehicles clogging area roads.

(Indicate page, name of newspaper, city and state.)  
*Sec. 1 page 1*  
**DAILY HERALD**

Date: *1/21/88*  
Edition: **SCHAUMBURG / HOFFMAN ESTATE**

Title: *Village joins group to fight traffic woes*

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or  
Classification: **194 C- 779**  
Submitting Office: **CHICAGO**

Indexing: *194C779 sub E-32*

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(Indicate page, name of newspaper, city and state.)

Sec. 7 Page  
DAILY HERALD

Date: 1-28-88

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title: Tree Removal Still  
Angers Park Officials

Character:

or

Classification: 194C-~~68~~ 779

Submitting Office:

CHICAGO

Indexing:

194C-~~779~~ Sub E

SEARCHED	INDEXED
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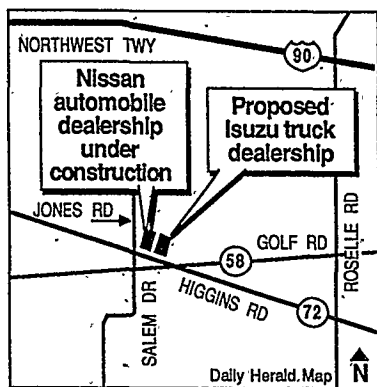
# Tree removal still angers parks officials

BY DWAYNE T. WONG  
and STEVE GORECKI  
Daily Herald Staff Writers

A controversy about a car dealer's chopping down of 40 trees last fall for a new Hoffman Estates dealership was uprooted again when his plans for an adjoining truck dealership were reviewed by still-angry park officials.

James W. Kussmann, owner of Schaumburg Nissan Isuzu, is moving his Schaumburg car dealership to a four-acre site near the intersection of Golf and Higgins roads. That building is now under construction.

Kussmann in February is expected to present plans to the Hoffman Estates plan commission for an Isuzu truck dealership on two acres he owns directly east of the building



under construction.

It was those two acres that were the scene last September of the unannounced removal of more than 40 large trees, some 50 and 80 years old, presumably to make way for the

truck dealership.

Kussmann was blasted by residents and village officials, who at one point considered halting the car dealership construction. Kussmann later explained the tree removal was needed to build the second dealership and promised to plant new trees on the site of the two dealerships.

But that apparently did not completely satisfy Hoffman Estates park district officials, who were angered about the removal of the trees between the site and Vogelei Park directly to the west.

Kussmann, appearing this week before the park board to work out an easement agreement for a water line running through the park to the dealership, was grilled by park commissioners whose minds still were on the fallen trees.

Park Commissioner Robert S. Steinberg asked Kussmann, "What was your thinking regarding the tree line? It was said it would not be touched. It's gone."

Kussmann responded, "I've been ambushed. You invite me here to beat me up about the trees. The trees are gone, I can't resurrect them. I'm not a tree destroyer. I'm not coming back here again to discuss this."

Relaying the anger of residents near the site, park Commissioner Michael Beers said, "Half of them believe we did it."

Despite the exchanges, park officials plan to draft the easement agreement, which park Director Edward Haag openly admitted had been the only topic slated to be addressed by Kussmann.



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(Indicate page, name of *sec. 2 Page 1*  
newspaper, city and state.)**DAILY HERALD**Date: *2-1-88*

Edition:

**SCHAUMBURG / HOFFMAN ESTATE**Title: *Vote expected today on  
fees for developers*

Character:

or

Classification: **194 C-779**

Submitting Office:

**CHICAGO**

Indexing:

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FBI - CHICAGO	
<i>OK</i>	

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# Vote expected today on fees for developers

BY STEVE GORECKI  
Daily Herald Staff Writer

A plan to make developers pay for village services, such as road improvements and police protection, is expected to be approved today by the Hoffman Estates village board.

The plan to charge all commercial and residential developers one-time "impact fees" on a case-by-case basis will be an interim one that will be finalized next year with a standardized fee schedule and a new law, said Trustee William D. McLeod.

The interim plan comes in the wake of a call by Trustee Michael D. Friesen for a temporary policy so the village will not lose out on fees that could be collected in the upcoming

year, one again expected to bring rapid development to Hoffman Estates.

McLeod, who proposed the impact fees last July, said the time is right to standardize the fees and charge them across the board. The money would be channeled toward community services, such as road improvements, water and sewer work and police and fire protection.

Hoffman Estates now has no formal list of fees charged to developers as "contributions" toward those services.

But often such contributions, with varying amounts, are included on a case-by-case basis in annexation and site plan agreements between developers and the village.

Village officials still are piecing together information on other towns' impact fees nationwide. The findings will be used to formulate the new law and standardized fees, expected to be unveiled in early 1989.

But in the meantime, McLeod supports Friesen's interim proposal, adding, "If we wait until the study is completed, there is just a great deal of development going on and improvements that will have to be made while we miss out on collecting the fees from everyone. With this interim plan, all developers will have to contribute their fair share toward these improvements."

Until a fee schedule is in place, the village and developers will continue

to negotiate specific fees on a case-by-case basis. But unlike in the past, all developers will be expected to contribute, McLeod said.

"In the past it's sort of been a hit-or-miss situation," McLeod said. "Until a law is in place, we want to formalize the process and make sure everybody is treated fairly and in the same manner."

McLeod says the fees will ensure that current businesses and residences in Hoffman Estates are "not impacted negatively by development."

"Obviously we want development. Development is good," McLeod said. "But there are expenses involved with that development."

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(Indicate page, name of newspaper, city and state.)  
page 4 Sec. 6  
DAILY HERALDDate: 2/10/88  
Edition: SCHAUMBURG / HOFFMAN ESTATETitle: 1ST NAT'L BANK OF  
HOFFMAN ESTATESCharacter:  
or  
Classification: 194C- 779  
Submitting Office: CHICAGO

Indexing: 194C 777 Sub E-35

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FEB 12 1987

— CHICAGO

b6  
b7cREPORT OF CONDITION  
CONSOLIDATING DOMESTIC AND  
FOREIGN SUBSIDIARIES OF THE  
**First National Bank  
of Hoffman Estates**  
OF HOFFMAN ESTATES

In the State of Illinois, at the close of business on December 31, 1987. Published in response to call made by Comptroller of the Currency, under title 12, United States Code, Section 161. Charter number 16880 — Comptroller of the Currency, Central District

**A S S E T S**

Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	3,862,000
Interest-bearing balances	6,836,000
Securities	7,209,000
Loans and lease financing receivables:	
Loans and leases, net of unearned income	31,151,000
Less: Allowance for loan and lease losses	301,000
Loans and leases, net of unearned income, allowance, and reserve	30,850,000
Premises and fixed assets (including capitalized leases)	791,000
Other real estate owned	365,000
Other assets	674,000
<b>TOTAL ASSETS</b>	<b>\$ 50,587,000</b>

Total assets and losses deferred pursuant to 12 U.S.C. 1823(j)	50,587,000
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**L I A B I L I T I E S**

Deposits:	
Domestic offices	46,737,000

Noninterest-bearing	12,190,000
Interest-bearing	34,547,000
Federal funds purchased and securities sold under agreements to repurchase	7,000
Other liabilities	571,000
<b>TOTAL LIABILITIES</b>	<b>\$ 47,315,000</b>

**E Q U I T Y C A P I T A L**

Common stock	800,000
Surplus	1,100,000
Undivided profits and capital reserves	1,372,000
<b>TOTAL EQUITY CAPITAL</b>	<b>\$ 3,272,000</b>

Total equity capital and losses deferred pursuant to 12 U.S.C. 1823(j)	3,272,000
Total liabilities, limited-life preferred stock, equity capital and losses deferred pursuant to 12 U.S.C. 1823(j)	50,587,000

I, Joyce M. Lueth, Sr. Vice President & Cashier of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

JOYCE M. LUETH, January 28, 1988

We, the undersigned directors attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

James E. Moser, George A. Moser, William L. Bishop, Directors.

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(Indicate page, name of newspaper, city and state.)

DAILY HERALD

Date: 2/10/88  
Edition: SCHUMBURG / HOFFMAN ESTATETitle: 1ST NAT'L BANK OF  
HOFFMAN ESTATESCharacter:  
or  
Classification: 194C- 779  
Submitting Office: CHICAGO

Indexing: 194C 777 sub E 35

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**REPORT OF CONDITION  
CONSOLIDATING DOMESTIC AND  
FOREIGN SUBSIDIARIES OF THE  
First National Bank  
of Hoffman Estates  
OF HOFFMAN ESTATES**

In the State of Illinois, at the close of business on December 31, 1987. Published in response to call made by Comptroller of the Currency, under title 12, United States Code, Section 161. Charter number 16880 — Comptroller of the Currency, Central District

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James E. Moser, George A. Moser, William L. Bishop, Directors

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(Indicate page, name of newspaper, city and state.)  
Sec. 1 Page 1  
DAILY HERALDDate: 2/5/88  
Edition: SCHAUMBURG / HOFFMAN ESTATETitle: Motel's homework  
passes first testCharacter:  
or  
Classification: 194C-779  
Submitting Office: CHICAGO

Indexing: 194C779 sub E-36

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CHICAGO

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# Motel's homework passes first test

By STEVE GORECKI  
Daily Herald Staff Writer

Apparently convinced by "reams" of last-minute evidence, the Hoffman Estates zoning board of appeals is recommending rezoning land for a proposed Red Roof Inn still facing an uphill battle before it can be built.

For the second time in two years, approval of plans for the 122-room motel at the northeast corner of Hassell Road and Pembroke Avenue have cleared the first hurdle with the zoning board.

This time the zoning board also said enough new evidence was presented to support the motel's second request so soon after the village

board's April 1986 denial of the plans.

Red Roof Inn officials in December held up the already lengthy review process by presenting "mounds of written material" documenting new studies on traffic, marketing and other aspects of the project, said zoning board chairman Edwin Frank.

In addition to new traffic and marketing studies, the motel officials presented detailed reports on other land uses in the area which supported their plans for a motel on the 2.4-acre site, Frank said.

That late evidence apparently changed the minds of zoning board members who also had been present in 1986, Frank said.

"Three or four members from before had been giving the feeling that nothing was new," Frank said about the first two months of hearings. "But then Red Roof presented literally reams of material that showed, yes, they had given us new information. It was a very thorough report."

The motel developers still face a tough battle in the plan commission, which in 1986 recommended approval of the plans after an initial negative recommendation. The planners are expected to vote on the plans Wednesday with a final say by the village board possibly coming as soon as Feb. 15.

Some plan commission members have expressed skepticism about the motel's chances for success.

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## New car dealer needs fed permit

BY STEVE GORECKI  
and DWAYNE T. WONG  
Daily Herald Staff Writers

The owner of a car dealership planning to move to Hoffman Estates will need a permit from the U.S. Army Corps of Engineers if about two acres of wetlands on the 7.5-acre site at Golf and Kingsdale roads are to be filled in.

The Hoffman Estates plan commission this week wrapped up its hearing on plans for a Fireside Chrysler-Plymouth dealership, with the owner promising to fulfill village engineering requirements dealing with storm water detention.

Flooding is one of the primary concerns of nearby residents who oppose the dealership plans. The residents, many of whom belong to the Southwest Hoffman Estates Neighborhood Council, also fear the dealership will bring excessive noise, obtrusive lighting, increased traffic, lower property values and crime.

But dealership owner Allan Gaines has rebutted those concerns and is promising to meet engineering requirements for storm water detention. The village hired a consultant to study possible flooding at the site and the firm's recommendations were used in determining the requirements for the dealership.

But Gaines also will have to secure a permit from the U.S. Army Corps of Engineers if he plans to fill in about two acres of wetlands on the site.

Robert Gordon, attorney for the dealership, says there still remains a question as to the exact acreage of wetlands on the site, with the army corps now saying there are 2.2 acres and Fireside maintaining there are 1.8 acres.

The question of filling in wetlands has come to light recently with the Illinois Environmental Protection Agency's recommendation last month of fines against a developer for the unauthorized filling in of 6.2

See KEY on Page 3

(Indicate page, name of newspaper, city and state.)

*See 1 page 1*  
DAILY HERALD

Date: 2-15-88

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SCHAUMBURG / HOFFMAN ESTATE

Title: *New car dealer  
needs Fed permit*

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Submitting Office:

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Indexing: 194C 779 Sub E - 37

SEARCHED <i>[initials]</i>	INDEXED <i>[initials]</i>
SERIALIZED <i>[initials]</i>	FILED <i>[initials]</i>
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FBI	CHICAGO

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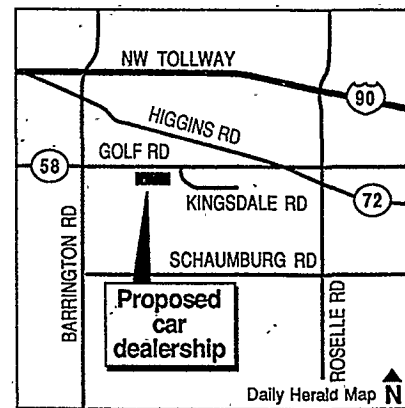
## CAR DEALER: Army Corps permit needed

Continued from Page 1

acres of wetlands along Poplar Creek, south of the proposed dealer.

But Gordon sees no similar problem with the car dealership and is confident Fireside will get necessary permission once it applies to the army corps upon receiving zoning approval from Hoffman Estates.

"I see no problem getting the permit. The wetlands just tip into the site," Gordon said. "We may not have to use it. If we do, we would do it with their permission and give them back an equal amount of land to replace the filled-in land."



Daily Herald Map N

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(Indicate page, name of newspaper, city and state.)  
Sec. 3 page 1  
DAILY HERALDDate: 2-15-88  
Edition: SCHAUMBURG / HOFFMAN ESTATETitle: ① Developer seeks access...  
② Hoffman planners nix...Character:  
or  
Classification: 194C-~~779~~ 779  
Submitting Office: CHICAGO

Indexing: 194C ~~779~~ Sub E-38

SEARCHED	INDEXED
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FBI — CHICAGO	

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## Developer seeks access to park land

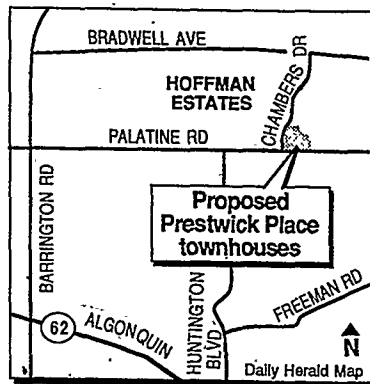
BY DWAYNE T. WONG  
Daily Herald Correspondent

Hoffman Estates park commissioners are considering a plan to allow a developer extended access through park property to improve a lake that park officials have called a "swamp land."

Draper Development Corp., of Palatine, needs park permission to cross through a 12- to 20-foot-wide strip of park property along one side of the three-acre lake to do shoreline work and increase the depth of the lake.

The park district would charge Draper \$500 for an access license for four months and \$1 per linear foot of property needing to be crossed. The land needs to be surveyed before park officials make a decision on the request, likely in about two weeks.

The park district last year refused Draper's donation of the lake and six adjoining acres of land, saying it was not fit for a park. That decision



forced the village to accept the lake and land and agree to its maintenance.

Draper has agreed to pay \$15,000 to the village for lake and lawn maintenance and will increase the depth of the lake by five feet to meet the 10-foot depth the village requires.

Draper is building a 100-unit town-house development on a 25-acre site surrounding the lake. The site is split into east and west sections by Chambers Drive, just north of Palatine Road.

The two-story town houses in northern Hoffman Estates will be priced between \$105,000 and \$120,000.

## Hoffman planners nix motel chain's request

For the second time in two years, Hoffman Estates planners are recommending rejection of plans to rezone a 2.4-acre site at Pembroke Avenue and Hassell Road for a Red Roof Inn.

The plan commission voted 8-0 to refuse the Ohio-based chain's request to rezone the land for commercial use from its present light industrial zoning.

The action comes after the zoning board voted to recommend approving Red Roof Inn's request for a special-use permit for a 122-room motel.

The Hoffman Estates village board will have the final say on the matter and is expected to consider the plans March 7.

Red Roof Inn has tried since 1986 to win approval of plans for the motel. The plan commission that year initially gave the plans a negative recommendation before returning with a positive vote after further review at the village board's direction.

But village trustees in April 1986 rejected the plans, expressing concerns about traffic, truck parking and a belief the motel chain did not make a case for rezoning to commercial use.

Those concerns were echoed this time around by planners, who voted opposite their colleagues on the zoning board of appeals. Zoning board members last week said motel officials had presented a "very thorough" report supporting their plans.

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(Indicate page, name of newspaper, city and state.)

DAILY HERALD

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SCHAUMBURG / HOFFMAN ESTATE

Title: Gloyd grudgingly supports landfill.

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Classification: 194 C-779

Submitting Office:

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Indexing:

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# Gloyd grudgingly supports landfill

BY STEVE GORECKI  
Daily Herald Staff Writer

Although still a staunch proponent of building a waste incinerator to dispose of garbage from the Northwest suburbs, Hoffman Estates Village President Betty J. Gloyd reluctantly is throwing her support behind a proposed landfill near Bartlett.

But Gloyd calls the Bartlett balefill "most assuredly a short-term solution" and one needing to be replaced with a long-range plan like incineration.

And Gloyd makes it clear another landfill will not be the route to go in the Northwest suburbs after the balefill is closed.

"It's a short-term solution to a very major problem. I personally do not like landfills, they're garbage dumps," Gloyd said. "I don't think they're good for the environment. But with the dwindling amount of space that we have to dispose of our garbage, we just don't have enough time to develop a long-range plan for disposal of that garbage."

A village board committee this week endorsed continued participation in the balefill plans, recommending Hoffman Estates commit up to \$40,867 by March 15 for engineering and legal costs.

The public works committee tentatively approved plans to become a member of the Solid Waste Management Agency, which will use and operate the estimated \$40 million balefill — so-called because garbage will be compacted into bales and then buried — that could be operating by 1990.



Betty J. Gloyd

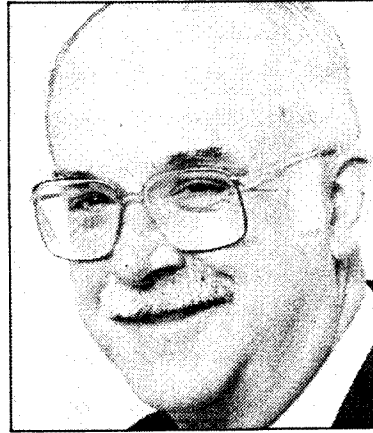
As a member of the new agency, the village would be asked by the Northwest Municipal Conference to commit between \$243,479 and \$323,827 for a \$5.5 million loan to get the project started.

Cash would not necessarily have to be shelled out, however, because financing is expected to be structured so that balefill users' fees pay project costs.

Northwest Municipal Conference Executive Director William G. Grams admitted the balefill is a temporary solution, saying it is expected to meet the garbage disposal needs of the Northwest suburbs for about 10 to 12 years.

Gloyd says the conference should use that time to find a longer-lasting solution, one not involving landfills.

"We can't be satisfied with a short-term solution," Gloyd said. "The conference has to do more re-



Bruce C. Lind

search into resource recovery to determine what the alternatives are and which way to go. Incineration is one of the long-term alternatives."

So far Gloyd favors incineration over other disposal methods now available. But if something better comes along she says she would "go along with it."

"There is a lot of technology coming out. We need to keep abreast of the newest, most innovative and cleanest technology there is," Gloyd said.

Trustee Bruce C. Lind, vice chairman of the public works committee, says the balefill is the right solution at the right time. But he agrees with Gloyd that other options for future garbage disposal have to be explored.

"We should not drop all of our efforts to find the ultimate solution. We should continue to watch other

advances in technology and when the opportunity presents itself we should proceed with that way," Lind said. "I think incineration will probably be the ultimate solution."

With an incinerator, garbage is separated and burned, creating steam that can be converted into electricity or heat. About half the steam is used to power the incineration plant, while the remaining energy is sold. Proposals in 1985 for incineration plants in the Chicago area carried price tags of \$90 million to \$200 million.

The Northwest Municipal Conference is asking 32 communities to participate in the balefill project, with Hoffman Estates the 13th town lining up behind the plan.

Last week, Schaumburg trustees tentatively rejected plans to join in building the proposed landfill near Bartlett. Village officials say their garbage haulers have assured them enough space is available for the community's garbage for at least 10 years.

That was news to Hoffman Estates officials, including Gloyd. She questioned Schaumburg's backing out of the balefill plans after already investing time and money in the project.

Grams said the 32 towns participating in the balefill have contributed a total \$550,000 to date, or about \$15,000 each.

Even though each town's financial liability would increase without Schaumburg, Grams said it will not stop the project since most other towns are likely to participate in the balefill.

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

Sec. 6 page 1  
DAILY HERALDDate: 2/26/88  
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# Motel plans must be reviewed again

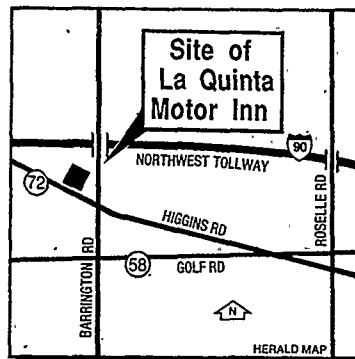
BY STEVE GORECKI  
Daily Herald Staff Writer

Plans already approved for a La Quinta Motor Inn will have to be reviewed again by Hoffman Estates officials because the Texas-based motel chain waited too long to get the 128-room inn off the ground.

A village board committee this week rejected La Quinta's request for an extension of an already-missed deadline to submit final plans for the motel. Instead, trustees say too much time has passed since the initial approval and a new plan commission review is necessary.

La Quinta is planning a motel for a 2.3-acre site near the northwest corner of Higgins and Barrington roads. The motel would be located behind a Wags Restaurant on Higgins Road and next to the seven-story Barrington Pointe office building.

La Quinta won village board approval of preliminary plans in November 1986 and had six months to



present final plans. But La Quinta officials sought and received a six month extension to November 1987, claiming a slowdown in the motel industry.

Explaining La Quinta's new request for an extension to April 1, project architect Wayne Huddleston told the planning, building and zoning committee, "We experienced a depressed economy from mid-1986

into 1987. The industry as a whole dropped, too."

Huddleston said La Quinta's occupancy rate in that time period fell from 82 percent to 62 percent. Construction of new La Quinta inns also slowed, with the chain now building just four motels per year instead of the 25 inns per year built in 1986.

"Once occupancy dropped off, one of the first things was to stop development," Huddleston said. "Now we're back in the pro-development mode. We are actively pursuing building in the village. We would have liked to start sooner, but the economy said 'no.'"

Trustee William D. McLeod asked why motel officials did not seek another extension before the November 1987 deadline came and went.

Huddleston replied that La Quinta did not want to commit to any new extension deadline when the firm was not in a "development mode."

Trustee Michael D. Friesen said by returning the matter to the plan

commission, La Quinta is basically "back to square one."

Plans for the three-story building include a conference room and outdoor swimming pool. The motel's parking lot would provide a connection to the Barrington Pointe office complex parking area. Access to the motel would be from Higgins Road and the Barrington Pointe entrance on Barrington Road.

In November 1986, La Quinta officials estimated the inn would bring Hoffman Estates about \$45,000 a year in real estate taxes and \$60,000 a year from the village's 4-percent hotel room tax.

The motel's building would have a Spanish/American look, similar to La Quinta's Schaumburg and Elk Grove Village inns. The chain has more than 170 inns nationwide.

La Quinta is trying to be Hoffman Estates' second motel. Located on the other side of Barrington Road at Hassell Road is the Budget Inn, which opened in 1985.



# Panel OKs car dealership; residents upset

By DWAYNE T. WONG  
Daily Herald Correspondent

Hoffman Estates planners by a narrow 6-4 vote are recommending approval of plans for a Fireside Chrysler-Plymouth dealership at Golf and Kingsdale roads, to the dismay of residents in the surrounding Hoffman Hills subdivision.

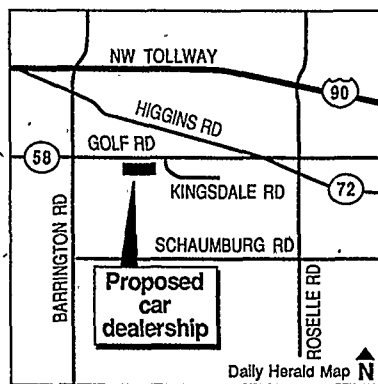
More than 4½ months after the public hearing began, the plan commission gave a favorable nod to Allan Gaines' request to rezone the 7.5-acre parcel from residential to commercial use for the car dealership, now located in Schaumburg at Golf and Plum Grove roads.

The plans now will be considered

by the village board — likely on March 21 — and residents are promising to continue to fight the plan.

"We plan to take our case directly to the trustees," said Carl Adrianopoli, spokesman for the Southwest Hoffman Estates Neighborhood Council. And we feel our case is very strong."

The homeowners group was formed in an effort to rally neighborhood support against the car dealership. The residents are concerned the dealership will be an eyesore, bring excessive noise, obtrusive lighting, increased traffic, flooding problems, lower property values and crime.



The plan commission attached several conditions to the recommendation, including requiring that prior

to final review Gaines obtain necessary permits from the U.S. Army Corps of Engineers, the Illinois Department of Transportation and the Illinois Environmental Protection Agency's Division of Water Resources.

Gaines will need a permit from the Army Corps if he plans to fill in about two acres of wetlands at the site.

Fireside attorney Robert E. Gordon said the dealership would not apply for a wetlands permit until after obtaining the required zoning from the village.

The planners also are requiring Gaines to adhere to his promise not to use flags, display racks, window

banners, balloons, spotlights and an outside paging system at the dealership.

Also, outside lighting will have to be reduced to 4 percent of its original intensity by 9:30 p.m. each night.

Plan commission Chairman Arnold Green said the dealership won the favorable nod despite the current residential zoning because "the property was planned to be a commercial property. The issue that carries forward is that it's commercial property."

Angered by the panel's actions, Adrianopoli said, "Chairman Green and the five members who voted against the neighborhoods have lost our neighborhood's support. They should resign or be replaced."

(Indicate page, name of newspaper, city and state.)

DAILY HERALD

Date: 3-4-88

Edition:

Schaumburg / Hoffman Estates

Title:

Panel OKs car dealership

Character:

or

Classification: 194C-779

Submitting Office:

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Indexing:

194C-779 Sub E-41

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MAR 1988

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(Mount Clipping in Space Below)

# Gloyd puts developer in zoning board post

BY STEVE GORECKI  
Daily Herald Staff Writer

Village President Betty J. Gloyd's temporary appointment of a local developer to the Hoffman Estates zoning board of appeals has rekindled a nine-month war with village trustees who fear possible conflicts of interest with the latest contested appointee.

Without a board vote, Gloyd has named Hoffman Estates developer James P. Habel Jr. to the zoning board. Gloyd said without trustees' support she had no choice but to exercise her authority to make a temporary appointment to fill the vacancy on the advisory panel.

Habel is president of Continental United International, Inc. of Hoffman Estates, a developer of houses in the village's Chestnut Ridge and Moon Lake subdivisions. The firm still has about seven lots to develop in the village, Gloyd said.

Unless both sides agree on a permanent selection to the zoning board of appeals, Habel's term will last until April 30, 1989. His appointment

fills an eight-month vacancy on the zoning board and is Gloyd's third temporary selection for the panel. Gloyd also has made two temporary appointments to the plan commission.

Gloyd and the six trustees have battled over commission appointments since last June, with Gloyd saying trustees would not approve her nominees unless they got 100 percent of their choices and trustees saying they want a greater say in the nominating process.

Gloyd's appointment of Habel without a vote was blasted by board members, including Trustee Michael D. Friesen who said the village president "apparently believes she has a monarchy."

"The trustees do have concerns about possible or perceived conflicts of interest since the appointee is a developer in the village and has had various variation hearings in front of the ZBA," Friesen said.

"There was a vacancy too long and I had to do something about it," Gloyd said. "He is well-qualified, intelligent and can do a good job."

(Indicate page, name of newspaper, city and state.)

Sec. 1 Page 1  
DAILY HERALD

Date: 3/9/88  
Edition: SCHAUMBURG / HOFFMAN ESTATE

Title: Gloyd puts developer in zoning board post

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Classification: 194C-779  
Submitting Office: CHICAGO

Indexing: 194C 779 sub E - 48

SEARCHED	INDEXED
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**Here's Hoffman's side**

Overcrowding in schools is one of the biggest problems facing residents in the north Hoffman Estates area. With acceptance of the proposed bond issue for Palatine Elementary District 15 that will be coming to the voters on March 15, a new school can be built in Hoffman Estates.

There will be approximately 26 new classrooms to accommodate 600 students who will no longer have to be bused during rush-hour traffic for to reach schools in different suburbs. It is no secret that the shorter amount of time they have to be on the road, the safer they are.

District 15 is one of the best school districts in Illinois, and I don't believe the district has ever abused its taxpayers' funds. The programs offered and the dedication of the teachers speak for themselves. Our children are our most precious possession, and how they are educated while in elementary school will affect their entire lives.

I believe that the bond issue for District 15 is needed to ensure that our children will continue to get the highest quality of education we can provide. I, therefore, ask you to vote: "Yes," on March 15, for District 15's \$64 million bond issue. It is an important investment in our children's future.

Michael J. O'Malley  
Village trustee  
Hoffman Estates

(Indicate page, name of newspaper, city and state.)

*Sec. 1 Page 11*  
**DAILY HERALD**

Date: *3/14/88*

Edition:

**SCHAUMBURG / HOFFMAN ESTATE**

Title: *Letter to Editor:*  
*"Here's Hoffman's side"*

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Classification: *194C- 779*

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**CHICAGO**

Indexing:

*194C779 sub E - 43*

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DAILY HERALD

(Mount Clipping in Space Below)

Date:

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title:

Smoking ban proposal  
to be aired

Character:

or

Classification:

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Submitting Office:

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Indexing

194C-779 Sub E -

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# Smoking ban proposal to be aired

BY STEVE GORECKI  
and DWAYNE T. WONG  
Daily Herald Staff Writers

The Hoffman Estates village board will hold a special meeting March 29 to give restaurant owners, employers and residents a chance to voice their opinion about a proposed law restricting smoking at most Hoffman Estates eateries and workplaces.

A village board committee this week decided to hear from the public before moving forward with the law, which village officials hope to have in place by May 1.

"We want to hear from the businesses and restaurants involved to understand their concerns and deal with them," said Trustee William D. McLeod, a member of the general administration and personnel committee. "We certainly want their opinion before we draft an ordinance."

Voters last November overwhelmingly backed the call for required smoking and non-smoking sections in restaurants seating 40 or more patrons and businesses employing 15 or more workers.



"The board made the commitment that if the referendum passed, we would draft an ordinance. Now we have to decide how all-inclusive it will be."

— Hoffman Estates Trustee  
William D. McLeod



"I could support a non-smoking ordinance for restaurants, but not for business. It's totally unenforceable. It should be up to the business managers and business owners to adopt their own rules."

— Hoffman Estates Trustee  
Richard A. Cochran

"The board made the commitment that if the referendum passed, we would draft an ordinance. Now we have to decide how all-inclusive it will be," McLeod said.

Trustees began reviewing a draft of the ordinance this week but decided against moving forward until the public has a chance to provide input. The special board meeting will be held at 7:30 p.m. at the village hall, 1200 N. Gannon Drive.

Included in the proposed ordi-

nance is the prohibition of smoking at public meetings in all village buildings. Also, in restaurants seating 40 or more patrons, smoking would be prohibited in lobbies, food processing and ordering areas and washrooms and cashier areas.

The restaurants would be required to designate a seating area for no-smoking. The restaurant restrictions

would not apply to banquet rooms or bar areas.

Smoking also would be prohibited in any hotel lobby areas designated for registration or check-out.

Places of employment with 15 or more employees during any eight-

hour period also would be required to prohibit smoking. The prohibition would include auditoriums, classrooms, conference and meeting rooms, elevators, hallways and washrooms. Employers would be allowed to designate specific rooms as smoking areas.

While restaurants and businesses would not be required to make structural modifications to facilities, signs designating no-smoking areas would be required.

One resident showed up this week to voice her displeasure over the proposed law, saying only 2 percent of registered voters actually voted for the restrictions.

Voters approved requiring smoking and non-smoking areas in most restaurants by a margin of 1,946 to 555 and in most workplaces by a margin of 1,571 to 915. There are about 20,000 registered voters in Hoffman Estates.

"That's a very, very small percentage of people who vote," said Pat Wilson, 1659 Carmel Court, who works for the Philip Morris Companies, Inc. "It's a lot broader an issue than whether you're a smoker or not."

Wilson said smokers are now suing municipalities for discrimination as a result of local anti-smoking laws, adding that smoking rules should be left up to the individual businesses.

Trustee Bruce C. Lind agreed it would be foolish to rush through the law, saying, "We shouldn't rush into this issue. We have to look out for the rights of the people. I do agree 2 percent is not a vast amount (of vot-

See SMOKING on Page 3

## SMOKING: Board to eye restrictions

*Continued from Page 1*

ers), but that doesn't mean the other 98 percent were denied the right to vote if they don't get off their duffs and do it."

Also in attendance was Paul Bednar, a member of the plan commission, who said leaving the no-smoking decision entirely up to businesses will not be effective.

"Volunteerism doesn't work. There are a lot of people out there who would like to see that ordinance," Bednar said. "There's widespread support for this. We're in the last car just catching up with this. Don't delay it any further."

Trustees have said enforcement of the law, especially for businesses, will be the biggest challenge. They said the law generally would be enforced upon complaints and not as a result of seeking offenders.

Trustees rejected a plan by Trustee Richard A. Cochran to divide the ordinance into separate sections for restaurants and places of employment, as was presented in the referendum.

"I could support a non-smoking ordinance for restaurants, but not for business," Cochran said. "It's totally unenforceable. It should be up to the business managers and business owners to adopt their own rules."

(Indicate page, name of newspaper, city and state.)

p. 1, Sec. 1  
DAILY HERALD

(Mount Clipping in Space Below)

Date: 3/18/88  
Edition: SCHAUMBURG / HOFFMAN ESTATETitle: Car Dealer agrees  
to park feesCharacter:  
or  
Classification: 194 C- 779  
Submitting Office: CHICAGO

Indexing:

SEARCHED	INDEXED
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MAR 21 1988	
FBI - CHICAGO	
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b7C

# Car dealer agrees to park fees

BY STEVE GORECKI  
and DWAYNE T. WONG  
Daily Herald Staff Writers

The owner of Schaumburg Nissan Isuzu has decided not to sue Hoffman Estates park officials and instead is paying the park district \$9,990 to get water through a park easement to his new Hoffman Estates car and truck dealerships.

James W. Kussmann, criticized by park officials for chopping down more than 40 large trees from his dealership site last fall,

## Construction could start May 1 — Neighbor

said this week he wants to put an end to the seven-month controversy and move forward with his new Nissan dealerships on Higgins Road, just west of Golf Road.

"I have put the entire matter behind me, period. That means no more talk of anything at this point, lawsuits or anything," Kussmann said.

Kussmann last month said he

planned to sue the park district, claiming it overstepped its bounds by penalizing him for removing trees on his property. Park officials said they were simply charging him more for an easement through neighboring Vogelei Park because of changes in an earlier agreement.

Park officials said Kussmann's unannounced removal of the trees changed an earlier verbal agreement and justified the \$6,000 increase atop the original \$3,990 fee.

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# Village to hire attorney for controversial center

BY MARIA MOOSHIL  
Daily Herald Staff Writer

Barrington is set to hire municipal attorney Jack M. Siegel to represent the village in matters related to a controversial shopping center proposed for Inverness on Barrington's border.

Siegel, whom the board plans to officially retain at its April 11 board meeting, will be hired because Barrington's primary attorney is a partner in the same law firm that represents Inverness.

Barrington Attorney J. William Braithwaite is a partner with Arnstein, Gluck, Lehr & Milligan. Lawyers from the firm will not represent either village on the issue to avoid potential conflicts, Inverness attorney James P. Bateman said.

Siegel, a partner of the Chicago law firm Siegel & Wornick, is village attorney for Arlington Heights, Schaumburg and Evanston, and he also has applied for a vacant seat on the Illinois Supreme Court.

Developer Salvatore J. DiMucci, Jr. is proposing to build a 15-

store center at the southeast corner of Barrington and Dundee roads. The center, which will be reviewed by Inverness' plan commission on April 18, would be anchored by a grocery store, theater and major retail store. The proposal will require a zoning change to allow commercial development on the 30-acre parcel.

Trustees from neighboring Barrington Hills are protesting the proposal saying it could create drainage problems and increase traffic and night time activity.

Although Barrington has not formally opposed the proposal yet, Village President David F. Nelson has charged it does not comply with the villages' boundary agreement for the site.

In 1980, the two villages signed an agreement spelling out what would be developed by each village on land near their borders. The document specified that the DiMucci property would be developed residentially but could be used for office and research if sewer services are extended to the property.

(Indicate page, name of newspaper, city and state.) *Page 3 Sec. 1*  
**DAILY HERALD**

Date: *3/31/88*  
Edition: **SCHAUMBURG / HOFFMAN ESTATE**

Title: *Village to hire atty. for controversial center*

Character:  
or  
Classification: *194C-779 sub E*  
Submitting Office: **CHICAGO**

Indexing: *194C 779 sub E -*

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Thursday, March 31, 1988

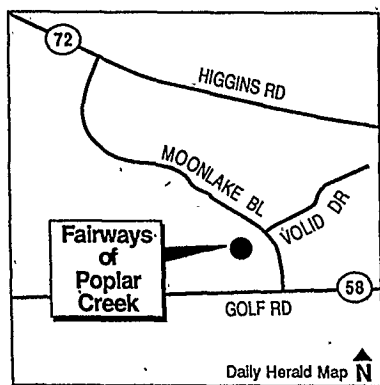
Daily Herald

# Village asks developers to fix proposed road

BY DWAYNE T. WONG  
and STEVE GORECKI  
Daily Herald Staff Writers

Hoffman Estates planners are asking the developers of a proposed 76-unit luxury townhouse development near Poplar Creek Golf Course to realign a road for safer and more efficient traffic flow on Moon Lake Boulevard.

Developer James V. Young wants to build the town houses, called The Fairways of Poplar Creek, on an 11-acre site southwest of Moon Lake Boulevard and Volid Drive. Priced from \$150,000 to \$190,000 each, The Fairways would feature two- and three-bedroom town houses with whirlpools, fireplaces, basements and two-car garages.



Village planners want a proposed roadway into the development to align with Volid Drive to the east instead of the current design intersecting with Moon Lake Boulevard about

165 feet south of Volid Drive.

As the Poplar Creek area is developed and traffic increases, the village envisions placing a stop sign at the intersection of Moon Lake Boulevard and Volid Drive, said Community Development Director Richard C. Unwin.

"We would prefer a four-way stop there instead of a three-way stop," Unwin said.

But Harold Rosen, an attorney for Young Development Inc., said aligning the road with Volid Drive would create "a triangulization effect and have neighbors looking into each other's backyard instead of the golf course."

The current design also calls for the planned road to intersect with Moon Lake Boulevard at an undesir-

able point where sightlines are restricted because the boulevard is curving and hilly, Unwin said. A single intersection also would eliminate multiple interruptions on the boulevard, improving traffic flow.

The Fairways parcel is one of about five still remaining to be built in the Young Development Inc.'s long-planned and under way Poplar Creek subdivision. The area originally was designated for apartments but Young said market conditions now are more favorable for luxury town houses alongside a golf course.

Young also has proposed a 354-room Radisson Hotel at the golf course and the Poplar Creek Corporate Center, an office park at Barrington and Golf roads which the village refused to permit.

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(Indicate page, name of newspaper, city and state.)  
P. 3 Section 7  
DAILY HERALD

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Edition: SCHUMBUER / HOFFMAN ESTATE

Title: Village asks developers to fix proposed road

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Sec. 1 Page  
DAILY HERALD

(Mount Clipping in Space Below)

Date: 4/5/88

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SCHAUMBURG / HOFFMAN ESTATE

Title: Village delays vote...

Character:

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# Village board delays vote on motel proposal

BY STEVE GORECKI  
Daily Herald Staff Writer

Red Roof Inn's second try at bringing a motel to Hoffman Estates must wait two more weeks because motel officials were not present to answer village trustees' questions Monday.

Red Roof Inn has tried since 1986 to win approval of plans for a 122-room motel at the northeast corner of Hassell Road and Pembroke Avenue.

The village board Monday was set

to vote on the plans but delayed action until April 18 because Red Roof Inn attorney Bernard Citron was not able to answer all questions about the \$2.7 million project.

Citron said he did not have the authority to respond to questions by Trustee Michael D. Friesen about possible sign variations and a marketing study done for the proposed three-story motel. A Red Roof Inn official overseeing the project was ill and could not attend Monday's board meeting, Citron said.

"I'd feel better if there was some-

one from Red Roof Inn who can commit one way or another," Trustee Michael J. O'Malley said.

Citron said all experts hired by the motel for the Hoffman Estates project would attend the next meeting.

"We spent a lot of time on this, I'd like to make as good a record on this as possible," Citron said.

The plan commission in February voted 8-0 to recommend denying the Ohio-based chain's request to rezone the 2.4-acre site for commercial use from its current light industrial zon-

ing. The zoning board one week earlier voted 6-0 to recommend granting Red Roof Inn's request for a special-use permit for the motel.

The zoning board of appeals also gave its nod to the plans in 1986. The plan commission that year initially gave the plans a negative recommendation before returning with the positive vote after further review.

But village trustees in April 1986 rejected the motel plans, expressing concerns about traffic, truck parking and insufficient evidence to support the zoning change.

(Indicate page, name of newspaper, city and state.)

DAILY HERALD

(Mount Clipping in Space Below)

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Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title: Zoning Board to OK  
Car Dealership Signs

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Classification: 194C-779

Submitting Office:

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Indexing: 194C 779 Sub E

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SERIALIZED FILED

APR 11 1988

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# Zoning board to OK car dealership's signs

BY DEBORAH PANKEY  
Daily Herald correspondent

A car dealer who neglected to take out permits for signs approved nearly two years ago got a second chance when the Hoffman Estates zoning board of appeals recommended approving variations for a new dealership.

James W. Kussmann in July 1986 received village board approval to place three signs in front of his planned six-acre Nissan car and truck dealerships on the north side of Higgins Road, just west of Golf Road.

Village law requires that permits for the signs be applied for within

one year of their approval. But Kussmann said he did not know about the rule until he received a letter from the village last month saying the variation expired nine months earlier.

"I didn't even know there was an expiration date," Kussmann said. "All I want is the board to approve what was approved in the grand scheme of things."

Kussmann this week again received the zoning board's endorsement for variations allowing a 30-foot-tall sign identifying the Nissan dealership, to be placed directly on the property line along Higgins Road. The village usually does not allow signs taller than 20 feet, and

requires that they be placed at least 10 feet onto the property.

The zoning board also said Kussmann should be allowed to place two 15-foot-tall signs on the property, identifying the truck and used car sales. Normally only one sign per business is allowed.

But zoning board Chairman Edwin L. Frank said allowing more than one sign at a car dealership is "not unique."

A Hyundai dealership at Roselle and Higgins roads has three signs, and a planned Audi dealership on Higgins Road also received approval for three signs, Frank said.

Kussmann said he hopes to begin construction on the Nissan truck and

used car dealership by May 1 and to complete it in about four months. The plan commission is expected to vote on final site plans Wednesday.

The Nissan car dealership already is under construction and is expected to open in mid-June, Kussmann said. The combined dealerships, costing \$4.5 million, are expected to generate about \$500,000 annually in sales tax revenue for the village, he said.

Kussmann's current Schaumburg Nissan Isuzu dealership on Golf Road, which will remain open and be used exclusively as an Isuzu car and truck dealership, generates about \$150,000 in sales tax annually, the dealer said.

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(Indicate page, name of newspaper, city and state.)

Sec. 1 Page 3  
DAILY HERALD

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SCHAUMBURG / HOFFMAN ESTATE

Title: Developer pares project  
for road

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Indexing:

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SERIALIZED FILED 50

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## Developer pares project for road

BY DWAYNE T. WONG  
Daily Herald Correspondent

Developer James W. Young reluctantly is agreeing to realign a road through his proposed luxury town-house development in Hoffman Estates even though it means eliminating four of the high-priced units.

Young wants to build the town houses, called The Fairways of Poplar Creek, on an 11-acre site southwest of Moon Lake Boulevard and Volid Drive. The Fairways would feature two- and three-bedroom units with whirlpools, fireplaces, basements and two-car garages. They would range in price from \$150,000 to

\$190,000.

Village planners had asked Young to have a proposed road into the 76-unit development align with Volid Drive to the east instead of the planned route intersecting with Moon Lake Boulevard about 165 south of Volid Drive.

The planners say the alternate route would be safer and allow for more efficient traffic flow on Moon Lake Boulevard. A single intersection also would eliminate multiple interruptions on the boulevard.

While he agreed to change the road plans, Young said it will force him to eliminate four town houses because they would otherwise wind up facing other town houses

instead of overlooking the adjacent Poplar Creek Golf Course.

"It's not the kind of project where we want town houses looking at town houses. It's the aesthetics," Young said. He said realigning the road but keeping the four units would "cramp open space." The village envisions eventually placing a stop sign at the intersection of Moon Lake Boulevard and Volid Drive, preferring a four-way over a three-way stop.

The plan commission is expected to vote on the town house development at 8 p.m. April 27.

Young said some of the town houses could be built by fall of this year with the rest completed by spring 1989.

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(Indicate page, name of newspaper, city and state.)

Sec 1 Page 3  
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## SUBURBAN REPORT

## Carpet rolls for Red Roof Inn

BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates village trustees on Monday reversed their vote of two years ago and decided to allow Red Roof Inn to bring its colored shingles to the west side of town.

Village trustees voted five to one to approve the \$2.7-million motel plans and changed the zoning from light industrial to commercial. Trustee Bruce C. Lind was the lone opponent of the plan.

Monday's vote ended more than two years of efforts by Red Roof Inn to bring a 122-room motel to 2.4 acres at the northeast corner of Hassell Road and Pembroke Ave-

nue.

The village board in April 1986 rejected Red Roof Inn's initial request to build at the site, expressing concern about traffic, truck parking and insufficient evidence to support the zoning change.

Concerns about traffic arose again with Trustee Michael D. Friesen contesting motel officials' claims the inn will not adversely affect the already traffic-clogged intersection of Barrington and Hassell roads.

"I don't agree with you about the peak traffic problem. There will be a peak problem," Friesen said, adding he was in favor of the plan, "weighing everything else."

Gerald Lindgren, traffic analyst

for Red Roof Inns, said traffic from the three-story motel would. "not have a major impact on the operation of the intersection."

"That intersection is already having problems. This development will not make it worse," Lindgren said.

The village board's approval of the Ohio-based chain's plans came despite the plan commission's 8-0 recommendation to reject the proposal. Village trustees followed the positive recommendation of the zoning board of appeals and granted a special use permit.

As part of the village board approval, Red Roof Inn agrees to prohibit truck parking and will have only one 20-foot tall sign.

(Indicate page, name of newspaper, city and state.)

Sec. 1 page 1  
DAILY HERALD

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SCHAUMBURG / HOFFMAN ESTATE

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# Trustees seek court fees from failed lawsuit

BY STEVE GORECKI  
Daily Herald Staff Writer

About \$20,000 in attorney's fees and court costs are being sought by six current and former Hoffman Estates trustees who were the target of an unsuccessful federal lawsuit by a developer whose plans for an office complex were rejected.

The trustees plan to seek the money in federal court if developer James V. Young does not agree to settle the matter, said their attorney, Donnie Rudd. Rudd said the individual trustees also plan to pursue unspecified damages against Young for his "wrongful actions" in suing them over the zoning dispute.

A federal appeals court judge last week upheld a May 1987 federal

court decision which ruled village trustees in October 1986 acted properly when they rejected Young's plans for a \$20 million office complex named Poplar Creek Corporate Center.

The trustees cited a glut of office space in the village for rejecting the plans for four or five one-story office buildings at Golf and Barrington roads.

If Young follows through with plans to pursue the case in state court, the trustees also will countersue, seeking damages in excess of \$1 million, Rudd indicated in a letter to the developer's attorney.

Young, admitting on Monday that the foray into federal courts "wasted a lot of time and energy," nevertheless does not appear to be willing to

settle the case out of court. He said he is moving ahead with a lawsuit in Cook County Circuit Court.

"The state court is where it belongs," Young said. "We're the ones that were damaged. They made an arbitrary decision that cost us hundreds and hundreds of thousands of dollars."

Responding to the trustees' plans to countersue, Young said, "That's what courts are for. Everyone has an opinion."

But Trustee William D. McLeod said the federal court dismissal proves Young's suit was "frivolous" and without grounds.

"The village board acted properly and had the authority to turn it down under zoning laws, the laws of the

state and the laws of Hoffman Estates," McLeod said. "The feeling I had when he sued everyone individually was that it was an attempt to intimidate and brow-beat the village board. The village trustees stood up and took the flak for this. It was an attempt to have the trustees cave in, which thank God, they refused to do."

Trustee Michael J. O'Malley said the trustees "owe it to the taxpayers of the village" to seek Young's payment of their defense fees.

"If in fact we can recoup the money that was spent by the village to defend us in this frivolous suit, we should go ahead and do it," O'Malley said.

(Indicate page, name of newspaper, city and state.)

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DAILY HERALD

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Developer presents annexation plan

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# Developer presents annexation plan

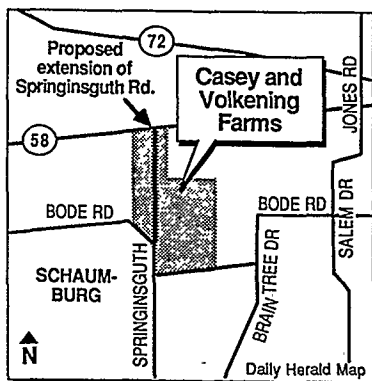
By STEVE GORECKI  
Daily Herald Staff Writer

A Chicago developer wants to annex the 120-acre Casey and Volkening farms into Hoffman Estates for a 400-unit town-house development but faces obstacles that include a controversial road extension and a village preference for houses on the site.

Howard Mock of Highland Development of Chicago told village trustees this week about his plan to bring the entire parcel into Hoffman Estates and build "New England Colonial-style" two-story town houses ranging in price from \$150,000 to \$180,000.

The town houses would be limited to two units per building, each unit ranging in size from 1,750- to 2,100-square-feet, Mock said. The development also would include some small stores in a two- to three-acre commercial strip at Springinguth and Bode roads.

Mock's plans mark the first time a single developer has wanted to bring into Hoffman Estates both the 80-acre Casey Farm at Bode and Springinguth roads and the adjacent 40-acre Volkening Farm.



There have been other proposals — including building as many as three 14-story penthouse apartments — that have come and gone for each site but each usually involved annexation of just one of the farms into one of the villages.

The latest plan to go by the boards was one by Arlington Heights builder Donald Mitroff to annex into Schaumburg and build 150 luxury houses on the Casey Farm.

Now Mock says Highland has options to buy both parcels in unincorporated Cook County but must iron out several obstacles before following through with the plans.

Topping the list of possible roadblocks are Hoffman Estates village board resolutions in 1985 and 1987 calling for houses, not town houses, to be built on the parcels.

Another obstacle, Mock said, is the proposed \$3 million extension of Springinguth Road through the site, between Bode and Golf Roads. Hoffman Estates trustees favor plans for a four-lane direct extension but Schaumburg trustees are calling for a two-lane direct route.

More than 1,200 Schaumburg residents oppose the extension, saying it will turn their neighborhood street into a regional route.

Cook County, which once pledged \$2.5 million for the work, has taken the proposal off its five-year project list, said Jerome S. Schain, an attorney for Highland. Another attorney, Bernard Citron, said it would be "difficult" for Highland to build the road if the county chose not to.

Also hindering development of the site are wetlands and flood prone areas which comprise about half of the parcel, Mock said.

And another factor could be opposition from the village of Schaumburg.

Schaumburg planner Charles Per-

kins told Hoffman Estates trustees to abide by their earlier resolutions, saying, "The village of Schaumburg would like to re-emphasize their commitment to single-family development on the Casey Farm. We're happy to work with Hoffman Estates on this."

Schain asked trustees for an indication whether they would be willing to drop their earlier resolutions calling for houses.

"Can we come back here and at least consider annexation and zoning?" Schain said. "Is there any reason not to proceed? If we don't fit, we don't want to waste your time. I don't want to waste my client's money."

Trustee William D. McLeod refused to make any commitments, suggesting the developers submit their plans for review to the plan commission.

Trustee Susan H. Kenley said she did not have enough information to say whether the plans were "good, bad or anything," adding, "You've gotten all the indication you're going to get."

Mock and his attorneys said afterwards they had to "talk about" what their next step would be.

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DAILY HERALD

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## SUBURBAN REPORT

## Stalled project gets more time

By STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates Village President Betty J. Gloyd cast the tie-breaking vote in favor of granting a second extension to the developer of a luxury hotel despite protests from trustees who want to hear from other partners about the project's delay.

Developer James V. Young was asking for a second six-month extension to present final plans for the proposed 354-room Radisson Plaza Hotel at the southeast corner of Moon Lake Boulevard and Eric Drive.

Young apparently is having difficulty lining up financing for the \$40 million project after the insti-

tutional investor, Lyons Federal Trust and Savings Bank, encountered financial problems and had to back out of the deal last fall.

Village trustees this week were deadlocked on the issue, forcing Gloyd to take a stance. Gloyd voted to grant the extension, which passed 4-3.

The action means Young has until Oct. 31 to present final plans or face the likelihood of being forced to return to the plan commission for a new review of the plans.

Young has not elaborated on the delay, saying only, "The restructuring of the financial commitment necessary to successfully complete this project is imminent."

Gloyd rejected some trustees'

argument the board should hear from the project's other partners before considering the extension.

"I don't agree with that because from the very beginning Jim Young has been heading the project. There's no reason for that to be an issue now," Gloyd said. "He's been sole representative of the project and there's no reason to seek input from representatives of the other partners at this point."

But Trustee William D. McLeod said he wants to hear from investors and Radisson officials. Trustees Susan H. Kenley and Michael J. O'Malley also voted against the extension, with Trustees Bruce C. Lind, Michael D. Friesen and Richard A. Cochran in favor.

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**DAILY HERALD**

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Title: *Planners urge approval of car dealership plan*

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MAY 2 1988

## Planners urge approval of car dealership plan

By DWAYNE T. WONG  
 and STEVE GORECKI  
 Daily Herald Staff Writers

Hoffman Estates planners, by a narrow margin, are recommending approval of James W. Kussman's plan to build a Nissan truck and used car dealership on the north side of Higgins Road, just west of Golf Road.

The plan commission this week voted 5-4 to recommend that the dealership be built, despite concerns that a nearby roadway may be used for dealership traffic other than emergency vehicles.

Planners do not want Jones Road, just west of the site, to be used for access to the dealership. Commissioners included a condition limiting Jones Road access to the dealership to emergency vehicles only.

Planner Phillip Zeidman said, "Customers traveling from the east (on Higgins Road) would use Jones Road for access."

Kussmann was not present at the hearing to discuss the issue but can do so when the village board votes on the dealership's plans on May 2.

Other conditions attached to the recommendation include prohibiting car parking on the grass in front of

the dealership, limiting unloading of cars on the property and not along the Higgins Road shoulder and prohibiting use of outdoor paging systems.

Kussmann wants to put his truck dealership on two acres next to his Nissan new car dealership, now under construction on four adjoining acres near Vogetei Park.

To win approval of the planners, Kussmann earlier agreed to plant 38 trees at the site, including shrubs to screen the border adjacent to Vogetei Park to the east. He also agreed to move the building seven feet to the west to create more space between the dealership and the park.

Kussmann wants to start building the truck dealership in May. The Nissan new car dealership is expected to open in mid-June. Kussmann's Schaumburg Nissan Isuzu dealership on Golf Road will remain open but be used exclusively as an Isuzu car and truck dealership.

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*Sec 1 Page 5*  
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Edition: *SCHAUMBURG / HOFFMAN ESTATE*Title: *Land rezoned for hotel*Character:  
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## Land rezoned for hotel

By THOMAS ZEISER  
Correspondent

After two years of meetings, Hoffman Estates trustees Monday night conditionally rezoned property for the Red Roof Inn.

The board granted the request by a 5-1 vote to rezone the property from manufacturing to business. This will allow the building of a 122-room hotel on the northeastern corner of Hassel Road and Pembroke Avenue.

Trustee Bruce Lind dissented, saying it was a bad location.

The conditions attached to the rezoning ordinance are expected to alleviate potential problems.

Inn officials will work out an agreement with the police over fire lanes and pay an impact fee to the village because of the increase in traffic. Red Roof Inn also agreed not to request sign variances and to install smoke detectors in all rooms.

Inn owners agreed to discourage the hotel from becoming a truck stop. To accomplish this, no overnight truck parking will be allowed on the site or on neighboring streets.

Increased truck traffic has been a major concern in the area, trustees said.

Trustee Michael Friesen asked for an extra precaution to keep truckers out by having the Public Health and Safety Committee look into a no truck parking ordinance for Hassel Road, Stonington and Pembroke avenues.

Bernard Citron, the lawyer for the project, told the board that Red Roof had no-smoking rooms so they could comply with the smoking ordinance.

Friesen also asked if the staff had ever discussed changing the signal timing at the Hassel-Barrington Road intersection with the Illinois Department of Transportation.

Village Manager Peter Burchard said the issue hadn't been raised lately but several planned improvements should have a positive effect on traffic flow.

He said that segment of Barrington Road is slated for reconstruction soon, with two left-turn lanes to from Hassel to Barrington. He said with those changes, IDOT would have to re-time the signals.

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## Model citizen

HOFFMAN ESTATES VILLAGE President Betty Gloyd was among the models at the Twinbrook YMCA benefit fashion show. Other business leaders and elected officials also took to the runway during the dinner and fashion show, held last Friday at the YMCA. (Photo by Tanit Jarusan)

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*Chicagoland Voice*

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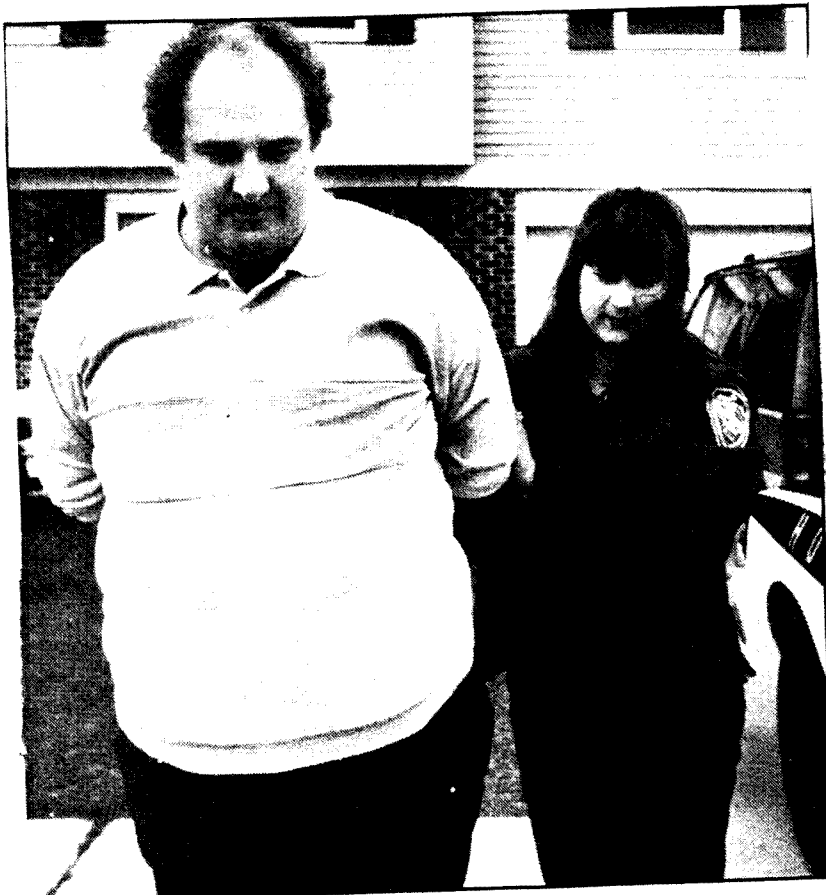
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A Pulitzer-Lerner Community Newspaper



## Busted!

**HOFFMAN ESTATES TRUSTEE** Michael O'Malley was one of six municipal officials who were held by the American Cancer Society for bail during the society's annual "Jail and Bail" charity event. O'Malley was "arrested" at his home by Public Service Officer Charmaine Montefalco and was brought to the holding cell at Randhurst Shopping Center on Friday. Society officials said they expected the event to meet or exceed last year's revenues of \$40,000. Village President Betty Gloyd also participated from Hoffman Estates. Participants from Schaumburg included Village Manager George Longmeyer; Police Chief Kenneth Alley and Permit Control Officer Marge Mefford. Numerous local business leaders also participated.

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DAILY HERALDDate: 5/5/88  
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## SUBURBAN REPORT

## Hoffman approves town houses

BY STEVE GORECKI  
Daily Herald Staff Writer

Plans for a luxury town-house development next to Poplar Creek Golf Course have been approved by Hoffman Estates village trustees despite neighboring residents' demands that the project's builder fix problems with their town houses first.

The village board this week by a 4-2 vote approved plans by developer James V. Young to build a 72-unit town house development on an 11-acre site southwest of Moon Lake Boulevard and Volid Drive. Prices will range from \$154,000 to \$191,000.

Some residents from the nearby

Club Homes of Poplar Creek said they want the Fairways project put on hold until Young corrects problems with their units.

Young, as part of a joint venture, built the Club Homes at Moon Lake Boulevard and Golf Road. Young is the sole builder of the Fairways project.

Club Homes residents say they have no objections to the Fairways plans but want their problems fixed first. While some of their concerns dealt with internal problems — like roof and fireplace leaks — many said they also were waiting for Young to correct outside grading problems which could cause flooding.

Roger Sonnabend, 1683 Pebble

Beach Drive, said the residents have been trying to get some of the problems fixed for as long as two years.

"It's been a war between Young and the residents. We're very disappointed with Mr. Young's commitment," Sonnabend said. "I don't want the 72 owners who are going to go into the Fairways to experience the same problems we have had."

"Grading problems and settling in a new development are common. There have been reasons for each delay," said Harold Rosen, Young's attorney. "Young Development responds to problems and will resolve these problems during spring and summer."

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## SUBURBAN REPORT

## Parks to forcibly gain golf land

By STEVE GORECKI  
Daily Herald Staff Writer

The Hoffman Estates Park District plans to acquire the 118-acre Poplar Creek Golf Course and two smaller adjacent parcels through condemnation because the owners have not responded to a district offer to buy the property.

The park district made an undisclosed offer for the golf course and two other parcels and set an April 29 deadline for a response from the property owners, James V. Young and Lyons Savings of Hinsdale. But park officials said that deadline was missed, prompting the park district this week to proceed with condemnation proceedings to acquire the land in Cook County Circuit Court.

Parks Executive Director Edward B. Haag on Thursday refused to reveal the amount of the offer, which he said was based on a park district appraisal of the property located north of Golf Road at Moon Lake Boulevard.

The two smaller parcels include 12 acres adjacent to the golf course — now used for a driving range — and a 11½ acres on which Young is planning to build luxury town houses overlooking the golf course.

The Hoffman Estates village board this week approved the plans for the 72 town houses, which would be called The Fairways at Poplar Creek. But Haag said the town houses would not be built if the land is bought by the park district.

Park Commissioner Robert S. Steinberg said the owners forced

the park district to seek condemnation by not responding by the deadline.

"We weren't trying to steal it. We've been negotiating for more than two months trying to find a price we can buy it at," Steinberg said. "We let them know if they would not accept the offer we would proceed with condemnation. We tried and tried to reach an agreement prior to condemnation."

A pre-deadline response was made to the park district in the form of a request for another negotiating session, said Douglas S. Gordon, vice president of Security Savings and Loan in Milwaukee.

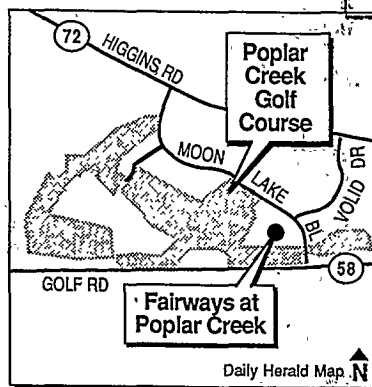
Security has been contracted by the Federal Savings and Loan Insurance Corporation to manage Lyons while it seeks a buyer in the aftermath of financial difficulties last fall.

Young was not available for comment Thursday.

Gordon admitted the properties in Young's development are for sale, saying, "Everything is for sale at the right price. The whole development was done as a joint venture to develop the property and sell it."

Prior to learning of the condemnation, Gordon said he believed both sides were "still negotiating" and characterized those talks as "amicable."

Upon learning of the park board's plans, however, Gordon said, "That's news to me. We answered their offer with a request for a meeting. I don't know what else they can expect from us."



"It surprises me because I thought we were still in negotiations. Maybe it is adversarial. I don't want it to be, but we're big boys," Gordon said. "They have the right to do that."

Jack Siegel, an attorney for several Northwest suburbs and a recognized legal expert on municipal matters, said a park district has the authority under the state's eminent domain laws to acquire a golf course, as long as it is used for a public purpose.

He said a park district also must make a good-faith offer to buy the land at a reasonable price and provide an opportunity for a response.

Haag said the park district acquisition of the golf course would fit into its five-year-old master plan. He said the park district would have to borrow the money but added, "We have the funding sources available."

Haag would not comment on what the other parcels would be used for but Steinberg indicated a driving range and miniature golf course were planned.

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DAILY HERALD

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# La Quinta Inn approved, minus bell tower

BY STEVE GORECKI  
Daily Herald Staff Writer

The Hoffman Estates village board approved plans for a 128-room La Quinta Motor Inn, but rejected the motel chain's request for a 60-foot ornamental bell tower emblazoned with the inn's name.

The motel plans passed this week 6-0 but La Quinta was not able to muster enough votes to overturn the zoning board of appeals recommendation to deny a height variation for the bell tower. Overturning the zoning board recommendation required the votes of four trustees but the village board ended up deadlocked at 3-3.

Wayne Huddleston, project architect for La Quinta, said rejecting the bell tower plans would rob Hoffman Estates of the opportunity for a motel design unmatched in the area.

"I like to feel this is a completely integral, aesthetic part of our architectural design," Huddleston said. "You have the opportunity to make this a little more unique of a project



for Hoffman Estates."

La Quinta plans to build the motel on a 2.3-acre site near the northwest corner of Higgins and Barrington roads. The inn will be the town's third motel, joining an existing 102-room Budgetel Inn on Hassell Road and a 122-room Red Roof Inn to be built across from the Budgetel on the northeast corner of Pembroke Avenue and Hassell Road.

All three motels will be located in an office/light industrial area south

of the Northwest Tollway near Barrington Road, one reason the height variation should have been approved, said Trustee Richard A. Cochran.

"I personally don't have a problem with the bell tower. It's not near a residential area," Cochran said.

Huddleston said the motel name would have been placed on the north and east faces of the tower.

Edwin L. Frank, chairman of the zoning board of appeals, reiterated his position that the bell tower essentially would be a sign, placed three times higher than allowed by the village.

"The three-story building itself is only 37 feet tall. The tower is 60 feet and the purpose of the tower is for a sign," Frank said.

Huddleston said the tower has been approved for use in other cities nationwide, including Miami, Denver, San Francisco, St. Louis and Houston.

Huddleston reminded trustees the bell tower plans were approved by the village board in 1986 and the

chain now "had not substantially changed the character of the plans."

In 1986, the motel plans won the recommendation of the zoning board of appeals and the plan commission and in November of that year were approved by the village board. La Quinta officials later won a six-month extension to November 1987 for submitting final plans.

But last February, village trustees rejected La Quinta's request for an extension of the already-missed deadline and said the plans would have to be reviewed again.

Trustee Susan H. Kenley sought and received assurances from Huddleston that no more extensions would be requested.

Huddleston said La Quinta planned to start construction in June with completion of the motel expected within 9 months to one year.

The motel will include a swimming pool and two meeting rooms but no restaurant. La Quinta also will be required to designate its lobby, check-out area and a portion of its guest rooms as non-smoking areas.

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# Trustees to OK park agreement

BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates village trustees finally are recommending approval of a wide-ranging agreement with the park district that was dissected for more than two months after park officials endorsed the pact.

The village board's planning, building and zoning committee voted 4-3 in favor of the agreement between the two governments on maintenance, building fees, waterway maintenance and land donation.

By a similar 4-3 vote, the committee also endorsed separate plans to lease Chino Park to the park district. That long-discussed move now includes a cancellation clause that requires the village to pay park officials the cost of any park improvements if the village ever wants back the land just west of Roselle Road on Illinois Boulevard.

The long-awaited village board vote on the agreements is expected June 6.

Village President Betty J. Gloyd joined Trustees Bruce C. Lind and Richard A. Cochran in opposing the plans. Gloyd opposes a blanket village reimbursement of park expenses at Chino if the village ever backs out of the lease.

"It could be devastating to the village to have to come up with the money at the spare of the moment," Gloyd said.



William D. McLeod

But the majority of trustees said the agreement has been scrutinized long enough and favored the plan as long as the cancellation clause remained.

"I think something can be worked out instead of deleting Chino Park altogether," said Trustee William D. McLeod, who favors village reimbursement. "We either go ahead with this agreement or forget the whole thing. This agreement is getting hashed to pieces."

Village and park board members at a joint meeting in March tentatively approved the agreement between the two governments. The park district approved the pact two weeks later.

"I think something can be worked out instead of deleting Chino Park altogether. We either go ahead with this agreement or forget the whole thing. This agreement is getting hashed to pieces."

Hoffman Estates Trustee William D. McLeod.

But village approval has been stalled while trustees seek changes in plans for accepting Chino Park. Instead of handing over the title, as originally agreed, trustees now favor the lease agreement.

Park officials have endorsed the \$1 per year lease and now appear willing to accept the cancellation clause as long as reimbursement is promised.

"That was our board's idea," said Park Commissioner Robert S. Steinberg about the village reimbursement plan. "As long as the agreement is fair to everybody, I have no problem with it."

Another stumbling block has been recent village board insistence that park officials explain plans for two park sites being turned over to the park district.

About 20 residents from neighborhoods surrounding the Charlemagne and Chestnut Ridge sites last week successfully appealed to trustees to delay their vote on turning over the sites to the park district until more is known about park plans for the

two parcels.

The residents said they want a say in park decisions regarding what will be placed behind their houses. Homeowners associations from both areas also want representation on park planning committees set up to design the parks.

Many of the residents returned to the village board this week, re-emphasizing those concerns for the benefit of Park Commissioner Charles L. Lehr, who trustees invited to the meeting.

Lehr again reminded residents no plans have been made for the parks and invited them to voice their concerns at a 7:30 p.m. June 14 park committee meeting when conceptual designs for the Charlemagne site in northern Hoffman Estates will be presented.

Concept plans for Chestnut Ridge, located between houses and Poplar Creek south of Golf Road, will not be ready until later this summer, he said.

"We have no definite plans for either of these park sites," Lehr said.

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DAILY HERALD

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# Hoffman calls for 4-lane road

BY STEVE GORECKI  
Daily Herald Staff Writer

The Hoffman Estates village board is expanding its support for the extension of Springinsguth Road by calling specifically for a four-lane straight route from Bode to Golf roads.

A village board committee unanimously decided to recommend adopting a resolution requested by a Chicago developer planning to annex the 120-acre Casey and Volkening farms into Hoffman Estates for a town house development straddling the road extension.

Highland Development of Chicago wants to bring the parcel into Hoffman Estates and build 400

two-story town houses ranging in price from \$150,000 to \$180,000. The 80-acre Casey Farm is located at Bode and Springinsguth roads and the Volkening Farm is on 40 adjacent acres to the northwest.

Highland attorney Bernard Citron said Cook County officials told the developer Hoffman Estates must get behind plans for a regional road in order for the county to consider the project.

Village officials have long been in favor of the extension, going so far as adopting a resolution last August supporting the project.

"When we began working on this we were aware of Hoffman Estates' desire for a four-lane regional road, straight shot, to Golf Road. We adopted that as our posi-

tion as well," Citron said. "The county has requested that if Hoffman Estates wants a regional road, it must present that directly to the developer since this no longer is on the county's five-year plan."

Citron says the estimated \$3 million project would have to be entirely undertaken by the county because "the developer cannot afford to build this road."

Another stumbling block to the project is Schaumburg's opposition to a four-lane extension.

Schaumburg planner Charles Perkins told trustees, "Schaumburg won't support a four-lane major regional road. We only would support it as a modified two-lane collector."



(Mount Clipping in Space Below)

# Village hits parks on golf course bid

By **TERRY LEVECKE**  
Staff Writer

Hoffman Estates village trustees are publically condemning Hoffman Estates Park District's efforts to take over the Poplar Creek Golf Course.

In a 4-2 vote May 23 of the planning, building and zoning committee, village trustees approved drafting a formal resolution against the Park District action.

Earlier this month, the Park District filed a lawsuit to condemn the golf course and two adjoining lots, Park District officials said. The lawsuit was filed after district officials could not reach an agreement on the purchase price with the owners, Lyons Savings of Hinsdale and Young Development Inc.

Park Commissioner Robert Steinberg said the district would improve the existing course and expand facilities.

Village trustees who voted to condemn the Park District said a Park District take-over could halt the development of vacant parcels surrounding the golf course. They also said it will take valuable property off tax rolls.

Furthermore, a 72-townhouse development was recently approved on one of the parcels included in the condemnation suit. Some prospective buyers had put deposits on townhouses there, according to James Young, the developer.

In criticizing the Park District Trustee Michael Friesen said, "I don't consider this to be an essential service for the Park District. . . If they had a referendum on a swimming pool, they should (have one) for a golf course. (The condemnation) is bad public policy."

Trustee Richard Cochran, Bruce Lind and Village President Betty Gloyd joined Friesen in supporting the formal protest. Trustee Susan

Kenley did not vote on the matter.

While the resolution passed by the board will have no effect on the condemnation lawsuit, Lind said it is an effective means of voicing the trustee's concern.

"It lets people of the town know the village is not sitting idly by and letting this happen without saying anything," Lind said.

But Trustees Michael O'Malley and William McLeod contend it is not the village's place to say anything about the Park District's business.

"I don't know enough about it to be for or against it," said O'Malley. "All this is is a slap in the face of the Park District."

The trustees' public protest follows an on-going and, at times, heated discussion on a long-sought agreement between the Village Board and Park District on two large parks, four smaller lots and a lease on Chino Park. That agreement was unanimously accepted by both boards in a joint meeting held in March. However, Village Board approval was stalled May 16 when residents voiced concerns over development of two parks in the agreement, Charlemagne and Chestnut Ridge subdivisions.

The agreement was approved 4-3 by a village committee May 23.

McLeod and O'Malley feared the resolution condemning the Park District would make negotiations between village and park officials more difficult.

"We have been striving for three years to make peace with the Park District and when we get close certain individuals are trying to shoot it out of the water," O'Malley said.

Park District Commissioner Charles Lehr would not comment on the village's action because of the condemnation lawsuit.

(Continued on page 3)

(Indicate page, name of newspaper, city and state.)

p. 1  
Schaumburg Voice  
Schaumburg, Ill.

Date:  
Edition:

6-1-88

Title:

Village hits parks on golf course bid

Character:

or  
Classification:  
Submitting Office:

194C779

Chicago

Indexing:

194C779 Sub E-64

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## Golf course

(Continued from page 1)

However, Park District Commissioner Robert Steinberg accused the trustees of "interfering" with the Park District.

"The resolution represents the village interfering with park district business, which they just promised to stay out of (in the joint agreement). They don't understand anything we're doing and because of the lawsuit we can't comment. They must understand that."

Both the resolution opposing the golf course takeover and the joint agreement will be up for Village Board vote Monday, June 6.

(Indicate page, name of newspaper, city and state.)

Sec. 5 Page 1  
DAILY HERALD

(Mount Clipping in Space Below)

Date: 6-22-88

Edition: SCHAUMBURG / HOFFMAN ESTATE

Title: Hoffman backs Springinguth Road extension

Character:

or

Classification: 194C-779

Submitting Office:

CHICAGO

Indexing: 194C 779 Sub E-65

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# Hoffman backs Springinguth Road extension

BY STEVE GORECKI  
Daily Herald Staff Writer

A resolution supporting the four-lane extension of Springinguth Road from Bode to Golf roads was adopted by Hoffman Estates village trustees despite objections from residents living near the proposed regional route.

The village board voted 5-0 to endorse the extension of Springinguth Road as a four-lane regional road as opposed to a two-lane local collector.

Village officials have long been in favor of the extension, going so far as to adopt a resolution in August 1987 supporting the project.

But a Chicago developer — seeking to build town houses straddling

the proposed extension — wanted the village to expand its earlier position, which did not specify the path or the scope of the project.

Highland Development of Chicago wants to annex the 120-acre Casey and Volkening farms in Hoffman Estates and build 400 two-story town houses ranging in price from \$150,000 to \$180,000. The 80-acre Casey Farm is located at Bode and Springinguth roads and the Volkening Farm is on 40 adjacent acres to the northwest.

Highland officials agree the extension must be a four-lane regional road but said the project would have to be undertaken by Cook County because of costs expected to exceed \$3 million. To gain county consideration, Highland officials said they

needed a resolution from the village specifying what type of extension it supported.

But Barbara Whiting, 665 Waineford Drive, said she and other Hoffman Estates residents near the proposed extension oppose the plans, citing traffic safety and concerns about disturbing wetlands on the farm sites.

"We want you to wait on this approval because there are a great number of people who don't know what's going on about this extension," Whiting said. "There's a number of issues that have to be addressed. There are Hoffman Estates residents who haven't had a chance to respond and they aren't aware of what's going on here."

Schaumburg residents to the south already have voiced their opposition to the extension, saying it will turn their neighborhood street into a regional route. Schaumburg officials also oppose the four-lane extension, calling for no more than a two-lane collector street, which the county likely would not fund.

Village Trustee Michael J. O'Malley assured residents they still would have a chance to be heard later despite the board's resolution supporting the extension.

"Nothing has been done here. There is a long time and a great deal of public hearings before this even comes to fruition," O'Malley said. "You and your neighbors have a lot of time to address this."

(Indicate page, name of newspaper, city and state.)

Sec. 1 Page 3  
DAILY HERALD

(Mount Clipping in Space Below)

Date: June 22, 1988  
Edition: SCHAUMBURG / HOFFMAN ESTATETitle: Village Board's  
"meddling" hitCharacter:  
or  
Classification: 194C- 779  
Submitting Office: CHICAGO

Indexing: 194C779 Sub E-66

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FBI - CHICAGO	

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## SUBURBAN REPORT

## Village board's 'meddling' hit

BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates park officials are ending nearly a month of silence over village plans to oppose the park district's condemnation of a golf course by calling the village board's planned resolution "outright meddling."

The village board is deferring plans to adopt a resolution opposing the park plans until it can receive details of the tax impact of removing the 118-acre Poplar Creek Golf Course and two smaller parcels off the tax rolls.

Village President Betty J. Gloyd also said deferring a vote will allow Trustee Michael D. Friesen, a

critic of the condemnation who was absent, an opportunity to hear park officials' concerns and voice his own.

The park district last month began condemnation proceedings against James V. Young and Lyons Savings of Highland Park to acquire the golf course and adjoining parcels after park officials said the owners failed to meet a deadline for responding to an undisclosed park offer for the land.

A majority of village trustees are concerned that park ownership of the land would hinder adjacent property development and mean about a \$70,000 loss in property taxes the village would collect on the affected parcels. But at least

two trustees say the resolution is premature.

Park officials, meanwhile, had remained silent until this week's board meeting, when final action on the resolution was expected.

Park Board President Eugene R. Killian told the village board the planned resolution would be "outright meddling into another government's business."

Citing the village's own condemnation of land for a public works garage and salt storage shed, Killian said, "So why interfere in our business? We plan to keep it open for public use forever."

Killian said the resolution could damage progress in improving village-park district relations.

(Indicate page, name of newspaper, city and state.)

DAILY HERALD

(Mount Clipping in Space Below)

Date: 6/24/88  
Edition: SCHAUMBURG / HOFFMAN ESTATE

Title: Hoffman agrees to Ameritech zoning

Character:  
or  
Classification: 194C-779  
Submitting Office: CHICAGO

Indexing: 194C779 Sub E-677

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# Hoffman agrees to Ameritech zoning

By STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates village trustees have agreed to change zoning laws to give Ameritech the option to build up to 14-story buildings, but they won't allow for similar developments along the Northwest Tollway corridor.

Ameritech officials wanted Hoffman Estates to change its rules for office zoning to allow for buildings up to 210 feet — about 14 stories — along the tollway corridor.

The village currently is reviewing Ameritech plans for a seven-story, 1.2-million-square-foot office building on a 237-acre site at Central Road and Huntington Boulevard, just northeast of the tollway at Barrington Road.

While the \$160 million complex for one of Ameritech's wholly owned companies likely will be expanded another 600,000 square feet by 1997, the huge communications firm wants the option to build a taller "signature" building to possibly house a companywide headquarters.

Existing zoning laws limit building height to 45 feet.

Under the plans approved this

week by village trustees, Ameritech will be able to build a 14-story skyscraper if it so desires. Ameritech officials earlier said any plans for a companywide headquarters would not even be considered until the 1990s.

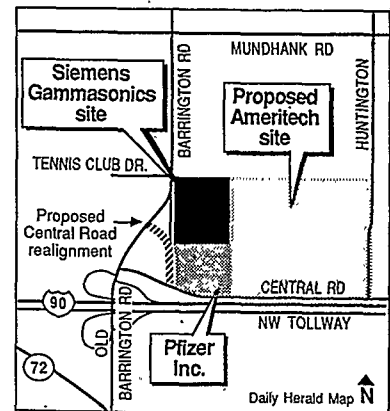
The village board essentially created a separate zoning district for the Ameritech site and decided to keep the existing height restrictions in effect for remaining office districts along the tollway, including huge parcels farther west.

"I had a problem with changing the text," said Trustee Michael J. O'Malley, who proposed the plan. "It would give developers carte blanche and it would be open season for this to happen in the entire village. We

still have neighbors to the west we have to make an attempt to get along with. I would still like to have some say as to how we develop when we start building out west. I'd prefer to look at each development case-by-case."

Officials in South Barrington — Hoffman Estates' closest neighbor to the Ameritech site — opposed the zoning law change, saying they did not want an onslaught of tall, densely populated buildings overlooking their countrylike neighborhoods.

South Barrington Village President Warren J. Fuller on Thursday said he was pleased with part of the Hoffman Estates action but still objects to the prospect of a 14-story Ameritech building.



"Half a loaf is better than no loaf," Fuller said. "To a certain extent, I am glad they're not giving broad license to developers in general to build 15-story buildings."

## SUBURBAN REPORT

# Hoffman delays hospital vote

BY STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates trustees are delaying a vote on Humana Hospital expansion plans until they learn more about the hospital's role last December in convincing state officials an independent day surgery center was not needed a few blocks away.

Village trustees this week deferred action on Humana's request for a special-use permit to build a \$2.4 million, 6,300-square-foot addition to house a new operating room, a reception area and a processing area for day surgery patients at the hospital at 1555 Barrington Road.

Trustee William D. McLeod wants transcripts of a hearing last year in front of the Illinois Health Facilities Planning Board at which Humana officials submitted written testimony opposing plans by a group of local doctors to build an independent day surgery center on a one-acre site at 2400 W. Higgins Road.

"If there was not a need at one time, why is there one now?" McLeod asked.

To be called Creekside Surgery Center, the new 13,000-square-foot day surgery facility two blocks east of Barrington Road was to include five operating rooms and one treatment room, said Dr. Edward Atkins, one of about 40 doc-

tors involved in the project.

In addition to Humana Hospital, Alexian Brothers Medical Center in Elk Grove Village and Sherman Hospital in Elgin also opposed the facility, Atkins said.

Atkins said the village board should hold off action on the Humana addition until the group of doctors appeal to the state board the rejection of their application on the same day Humana's application was approved by the panel.

Robert G. Wollenben, assistant executive director of Humana, said, "Our testimony was that we did not feel the Creekside project met the state criteria."

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

Section 6  
Page 1  
DAILY HERALD

Date:

Edition:

July 1, 1988  
SCHAUMBURG / HOFFMAN ESTATE

Title:

Plans for town houses  
put on hold.

Character:

or

Classification:

194C-779

Submitting Office:

CHICAGO

Indexing:

194C779 Sub E - 608

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# Plans for town houses put on hold

BY STEVE GORECKI  
Daily Herald Staff Writer

Approved plans for a luxury town-house development next to Poplar Creek Golf Course have been put on hold indefinitely because of the Hoffman Estates Park District's efforts to condemn the site and adjoining 18-hole links.

A Hoffman Estates village board committee is recommending approving a request by developer James V. Young. That request is to defer all deadlines for taking out building permits for the Fairways at Poplar Creek project until after the condemnation matter is settled in Cook County Circuit Court.

Young in May won approval of his plans for the 72-unit town-house development on an 11-acre site southwest of Moon Lake Boulevard and

Valid Drive. The two- and three-bedroom units along the 118-acre golf course would range in price from \$154,000 to \$191,000.

Under terms of the approval, Young is required to take out building permits within six months.

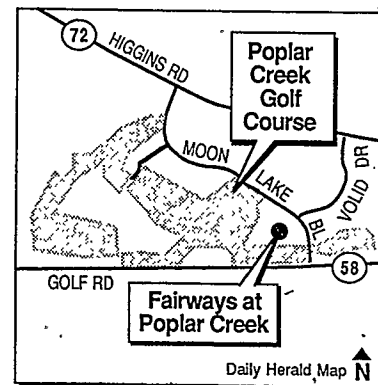
But those plans now have to take a backseat to proceedings underway in court to determine a price for the Fairways parcel, the golf course and a smaller adjacent site being sought by the park district.

Park officials in May began condemnation proceedings to get the land after they said Young missed a deadline for responding to a park district offer to buy the land. Neither side will divulge land costs or details of the negotiations, but park district Executive Director Edward B. Haag said the town houses will not be built if the park district buys the land.

In requesting the delay, Young told village officials he is "confident that we will reach an early settlement with the park district and be in a position to go forward with this project for the benefit of both Young Development and the village of Hoffman Estates."

Village Manager Peter T. Burckhard called Young's request "reasonable." Village board approval of the deferral on Tuesday will mean Young would need to take out building permits within six months after the legal case is settled.

Also on Tuesday, the village board again is expected to consider adopting a resolution opposing the park district's condemnation plans. Most village trustees say the action would rob the village of tax revenue, but at least two board members said the move is "premature."



Park board President Eugene Kilian said a village board resolution would be "outright meddling into another government's business" and would jeopardize recent strides made in improving relations between both governments.

THE VOICE OF SCHAUMBURG  
 (Indicate page, name of newspaper, city and state)  
 Schaumburg, Ill

(Mount Clipping in Space Below)

Date 10-12-88  
 Edition

Title O'Malley To Run For Mayor

Character 194C779  
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 Classification  
 Submitting Office

Chicago

Indexing	
194C779	Sub E 69
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# O'Malley to run for mayor

By TERRY LEVECKE  
 Staff Writer

Trustee Michael O'Malley Tuesday made "the worst kept secret in town" public by declaring his candidacy for village president in the spring general election.

O'Malley is the first person to enter the race. Village President Betty Gloyd has not said whether she will seek re-election.

O'Malley has been considering seeking the post for about a year, he said. He has served one term as village trustee.

"I think I have an ability to work with people," O'Malley said. "I was elected trustee by the residents of this village by 3,976 votes of 5,000 votes. I was elected deputy mayor by my colleagues twice, by a 4-2 and a 6-0 vote, which proves I can work with everybody on the board. You have to be able to lead the village."

Trustees William McLeod and Michael Friesen said they support his candidacy. Trustee Susan Kenley could not be reached for comment. Trustee Bruce Lind was less enthusiastic about O'Malley's candidacy.



O'MALLEY

"I don't know that he wouldn't be able to do a good job. He probably would be," said Lind. "I have no set ideas for or against him."

Lind, the senior trustee on the board, said he never considered running for the post because he doesn't have the time to devote to it.

Trustee Richard Cochran had no comment on O'Malley's decision.

The trustees supporting O'Malley have often complained that Gloyd has run the village like a "dictator."

"I'm supporting Mike because he understands what leadership is. He knows that government functions by consensus, not by dictatorship," said Friesen, who was elected to the board in April, 1986. "He understands that you earn people's respect by working with them and not for yourself. The present mayor does not, so she fails the test of leadership."

O'Malley, however, said he is not out to get Gloyd.

"I am not running against Betty Gloyd. I am running for the office of village president," O'Malley said.

O'Malley, 46, moved to Hoffman Estates 10 years ago from Chicago. He currently runs a family house-cleaning business with his wife, Maribeth. He has nine children.

O'Malley is planning a reception for the opening of his campaign headquarters at 7:30 p.m. Friday. His campaign office is located at Governor's Square, 2200 W. Higgins, Suite 255.

# Trustees call Gloyd suit embarrassing

By **TERRY LEVECKE**  
Staff Writer

Hoffman Estates Village President Betty Gloyd's lawsuit against Graceland stemming from her criminal trespass arrest is stirring up more embarrassment for the village, some political opponents said.

Gloyd filed suit against Graceland Division of Elvis Presley Enterprises Inc., two security guards and two spokeswomen for Graceland, charging them with assault and battery, false imprisonment, malicious prosecution, libel and slander. She is seeking \$5 million in damages.

Gloyd, 47, and 30-year-old Michael Freytag were arrested at the Elvis Presley estate in Memphis, Tenn. in the early morning hours of Aug. 20. Gloyd, a delegate to the Republican National Convention, had been on her way home from New Orleans. She was traveling with Freytag, whom she said was a graduate student visiting from Germany, and three other convention delegates.

The lawsuit was filed Oct. 4, at a

time when several trustees felt the uproar spurred by Gloyd's arrest was dying down.

"This just perpetuates the whole story," said Trustee William McLeod, an outspoken critic of Gloyd and a supporter of Michael O'Malley for village president in next year's election. "If she was really interested in clearing her name, she shouldn't have had the charges dropped and should have gone to trial."

Gloyd said she filed the lawsuit because the arresting security guards and the Graceland spokeswomen "lied" to the media in stories following the arrest.

"I don't believe it is an embarrassment to the village at all," Gloyd said. "In fact I think it would be to the contrary because much of the publicity that has gone out has given people a very bad impression of what took place."

Gloyd maintained that all she did was knock on the guardhouse door — inside the Graceland gates — because Freytag was inside. Freytag had walked through the musical

gates, which Gloyd claims were open. He was detained by security guards and another woman Gloyd was traveling with, Dolores Doederlein, heard the guard say he was being arrested, she said.

Gloyd was arrested along with Freytag and spent eight hours in the Shelby County Jail, an experience she described as "humiliating."

Charges against Gloyd were eventually dropped by Shelby County authorities after the district attorney declined to prosecute. The arrest record was then expunged.

She said the guards' comments to the press following the arrest were lies and "a direct attempt to ruin my reputation and credibility."

The lawsuit claims in addition to newspaper stories in three local newspapers, the arrest was the subject of an "offensive parody" on radio station WFYR and a "vulgar" discussion by two radio announcers on WLUP.

Gloyd is up for re-election in April after one term as village president, but she has no comment on her candidacy, she said.

Trustee Michael Friesen, also a supporter of O'Malley, said he was

dismayed when he heard Gloyd had filed suit.

"She is entitled to clear her name, but it's clear that normal people don't go on tourist activities at 3 in the morning behind closed gates on private property," Friesen said. "I think it has a harmful effect on the village because people who learn about this will say, 'What kind of mayor did these people elect?'"

Trustee Michael O'Malley echoed his concern over possible embarrassment to the village.

Trustee Bruce Lind and Richard Cochran, however, said they believe the criticism of Gloyd is more personal than municipal.

"I frankly feel some of the rhetoric trustees are saying about this, they are saying because an election year," said Cochran, often a supporter of Gloyd's policies.

"Yes, I think it is more personal than affecting the village," said Lind. "On the other hand I don't think it will benefit the village. It is adverse publicity and adverse publicity never helps anyone."

Trustee Susan Kenley could not be reached for comment.



(Mount Clipping in Space Below)

# A big push to Hoffman Estates plan

By David Iyata

Hoffman Estates is close to scoring a key victory with state environmental officials that could lead to at least \$1 billion in construction on one of the largest tracts of undeveloped land in northwest Cook County.

A hearing officer for the Illinois Environmental Protection Agency has recommended that the village get the access it wants to the Elgin Sanitary District, which would make possible the development of 1,300 acres on the north side of the suburb.

The land is served by the Barrington Sanitary District, whose sewage treatment plant cannot handle a project that big.

"We're very excited," Peter T. Burchard, Hoffman Estates village manager, said Monday. "We're very close to a final decision on the last frontier of development land along the Northwest Tollway in Cook County."

A final decision is expected in early 1989 from Bernard P. Killian, director of the state EPA, after critics of development have a chance to file objections to the recommendation from hearing officer John D. Williams.

The land is bounded by Ill. Hwy. 72 on the north, Ill. Hwy. 59 on the east, the Northwest Tollway (Int. Hwy. 90) on the south and the Kane County line on the west. It takes in the Poplar Creek Music Theater, a gravel quarry and a 921-acre tract known as the Beverly parcel.

The EPA's action "has nearly vindicated us against the wiles of Barrington Hills and the Barrington Area Council of Governments," Burchard said, referring to two longtime opponents of any plans for high-density development of the land abutting the Barrington region.

Given a favorable decision by Killian, developers who had held back from signing deals would proceed with land acquisitions, and development proposals could be filed with the village as early as next year, Burchard said.

Not all area officials were as enthusiastic about the EPA action.

(Indicate page, name of newspaper, city and state.) *p. 1 CHICAGO TRIBUNE*

Date:  
Edition: *CHICAGO LAND*

Title: *A BIG PUSH TO HOFFMAN ESTATES PLAN*

Character:  
or  
Classification: *194C 779*  
Submitting Office: *CHICAGO*

Indexing:  
*194C 779 Sub B-70*  
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"It's a bad decision, a very bad decision," said Don Klein, executive director of the Barrington Area Council, which along with Barrington Hills has opposed massive development on the Hoffman Estates land and expects to file objections with the EPA.

"In our rush for economic development, other issues, such as traffic, are taking a back seat," Klein said.

Klein referred to a portion of the hearing officer's report that cited economic benefits of development, especially projects that would dovetail with the state's efforts to develop a "Golden Corridor" for business along the Northwest Tollway from O'Hare International Airport to Elgin.

Under a 1981 annexation agreement, Hoffman Estates would permit up to 5,263 housing units on the Beverly land, though Burchard said it's more likely that office and industrial buildings would go onto the site.

While no official density has been stated for those buildings, the Barrington area council has estimated that the land could house 4.2 million square feet of offices, industrial buildings and shopping—an amount equivalent to the Merchandise Mart in downtown Chicago.

If Killian upholds his hearing officer's proposal, the only option left for opponents of development would be to challenge the decision in Cook County Circuit Court, EPA officials said.

The Hoffman Estates land is mainly controlled by two entities: The Nederlander Organization, New York, which owns the Poplar Creek Music Theater, and the estate of Thomas J. Origer, an apartment developer and, in the 1970s, founder of the short-lived Chicago Fire football team. Origer died in January, 1987.

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(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.) *p. 1 THE VOICE Schaumburg, Ill*Date: *11-30-88*  
Edition:Title: *GLOYD OUT OF MAYOR'S RACE*

Character:

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Classification:

Submitting Office:

Indexing:

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# Gloyd out of mayor's race

By **BRENDA SCHORY**  
Staff Writer

Hoffman Estates mayoral hopeful Trustee Michael O'Malley reacted coolly to Village President Betty Gloyd's announcement not to seek a second term as mayor in 1989.

Unless someone else announces an intent to run, O'Malley will run unopposed.

"As I said before, I'm not running against Betty, I'm running for the office. It doesn't make any difference to me if she runs or not," O'Malley said.

Gloyd wrote in a three-page letter that since all her campaign promises were kept, and now she has to work for a living, she could not serve again as mayor.

When asked if the incident at Graceland, Elvis Presley's estate in Memphis, Tenn., influenced her decision not to seek re-election, Gloyd said, "I would rather not comment because of the litigation."

Gloyd and an acquaintance from the Republican National Convention were accused of trespassing on Graceland grounds about 3 a.m. last Aug. 20. The two were arrested. Publicity portrayed Gloyd as being



**GLOYD**

rude to Graceland's security people and trying to impress them with her status as mayor.

Although she spent the night in a county lockup, Graceland withdrew its charge of criminal trespassing and her record was expunged. Gloyd filed a \$5 million suit Oct. 4 against Graceland Division of Elvis Presley Enterprises, Inc., alleging

assault, battery, false imprisonment, malicious prosecution, libel and slander.

Gloyd had said the security guards' comments to the press about her conduct were "a direct attempt to ruin my reputation and credibility."

Republican Committeeman Donald Totten said the Republican Organization of Schaumburg Township has not picked a slate to support in April — yet.

Totten said last Saturday that the slate-making committee "kicked around some names," but plans to add more names and do interviews next Saturday. There will likely be a slate announcement by Dec. 12, he said.

Village Clerk Ann Von Soten said, as of Monday, nine people have taken out nominating petitions for the three trustee posts and the clerk and mayoral posts open in April. Von Soten said she is not seeking re-election.

Nominating petitions must be filed the week of Jan. 16-23.

(Mount Clipping in Space Below)

# Hoffman Estates chief won't seek a 2d term

By David Ibatá

Hoffman Estates' own version of "Council Wars" will come to an end next spring as Village President Betty J. Gloyd takes a voluntary retirement as the municipality's top executive.

Gloyd, 48, who has been at the helm of the northwest suburb since her election in April, 1985, said Monday that she will not seek reelection in April.

Saying she had accomplished most of what she had set out to do, Gloyd explained that "in the last four years I've served in a full-time capacity at a salary of \$9,000 a year, with no health or pension benefits.

"The reality of the situation is, I can't afford it," said Gloyd, who before her election as president was a paid consultant and staffer.

Gloyd most recently was in the news over a spat this summer with Graceland, the Memphis estate of Elvis Presley, where security guards arrested her and a companion for alleged criminal trespass after they apparently looked inside the partially opened gates of Graceland early on the morning of Aug. 20.

Though the charges were dropped, Gloyd filed a \$5 million suit last month against the estate and four of its employees, accusing them of assault and battery, false imprisonment, malicious prosecution, libel and slander.

Gloyd cited as accomplishments of her term giving Hoffman Estates "goals and a vision for the future,"

including a long-term operational plan; creating a government more accessible to the public; undertaking a major street reconstruction program; expanding police and fire services, and undertaking economic policies that, among other things, saw annual sales tax revenues nearly double to \$2.9 million in four years.

On the other hand, Gloyd's term has been marked by off-and-on battles with the Village Board.

"It was mostly over appointments, Mickey Mouse stuff," said Donald Totten, Schaumburg Township Republican committeeman and fellow GOP member with Gloyd. "Because some board members couldn't get their way, they raised a ruckus."

Totten laid the blame for the discord on the village's move to non-partisan elections in 1985.

"We got all these independents elected, nobody could agree on anything and the Village Board became a laughingstock," Totten said.

Hoffman Estates Trustee Michael O'Malley said Gloyd should share the credit for her accomplishments.

"The good that was done happened when the board and the village president worked together," said O'Malley, 46, a trustee since 1985 and the only declared candidate for village president.

The jobs of village president, village clerk and three of the board's six trustees will be up for election in April.

(Indicate page, name of newspaper, city and state.)

P. 3. Sec. 2  
Chicago Tribune  
Chicago, Ill.

Date: 11/29/88  
Edition:

Title: Hoffman Estates Chief...

Character:

or

Classification:

Submitting Office:

194C779

Indexing:

194C 779 Sub E-72

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(Indicate page, name of newspaper, city and state.)

Sec. 2 Page 1  
Chicago TribuneDate: 11-25-88  
Edition:Title: State Ruling On  
Suburb Tract...

Character:

or

Classification: 194C 779  
Submitting Office: Chicago

# State ruling on suburb tract may unlock land, start fight

By David Ibatá

Once upon a time in Hoffman Estates, about nine years ago, there was Beverly, which would have been the granddaddy of all apartment complexes with more than 5,200 units. Nothing came of it.

In 1984, there arose another plan for the same land, an International Exposition Park. Expo Park would have housed four hotels, a World Trade Center and 10 million square feet of showrooms—the equivalent of 2½ Merchandise Marts. Nothing came of this plan, either. But that was hardly the end of the story.

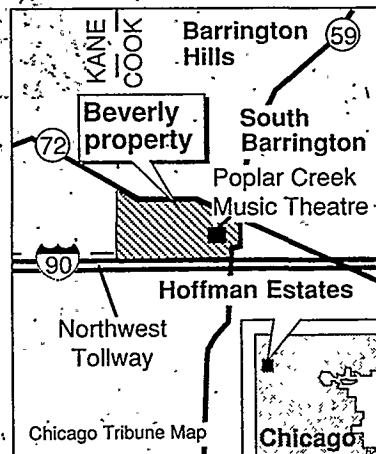
These days, the only activity involving the mostly undeveloped, 1,300-acre tract on the northwest corner of Hoffman Estates seems mundane by comparison: The village is trying to win permission from state environmental officials to run a sewer line from the site to the Elgin Sanitary District.

It sounds minor, but it makes all the difference in the world to Hoffman Estates.

The new sewer would finally make major development possible on the Beverly land, possibly the largest single tract of undeveloped land in northwest Cook County. It is bounded by Ill. Hwys. 72 and 59 on the north and east, the Northwest Tollway (Int. Hwy. 90) on the south, and the Cook-Kane County line on the west.

There's no question that the land is prime.

Marilee Tatalias, regional director of Union Pacific Realty



Co., a commercial development firm, estimated that if the Beverly tract became available for office or industrial development, it could command prices of \$150,000 an acre. This would be at least five times more than the going price of residential land in the Barrington area.

But as far as the nearby Barrington communities are concerned, it's bad enough that the Poplar Creek Music Theatre already occupies 68 acres of Beverly and has another 153 acres in reserve. They're aghast at Hoffman Estates' prediction that adequate sewers could lead to \$1 billion in development on the balance of the site.

"First we saw a plan for a whole new city, a satellite town of Hoffman Estates; and then, a macro Expo Park," said Don Klein, executive director of the Barrington Area Council of Governments.

"So you can imagine what our

land-use fears would be."

Bernard P. Killian, director of the Illinois Environmental Protection Agency, is expected to decide by early next year whether to approve Hoffman Estates' request that the Beverly site go into the Elgin Sanitary District.

The land is now part of the Barrington Sanitary District. Barrington's sewage treatment plant is too small to accommodate major development. An EPA hearing officer has recommended that the change in sewer districts be approved; those opposed have until Monday to file objections.

Whatever the outcome, a lawsuit is likely to follow.

It would be yet another legal battle in 25 years of litigation between middle-class Hoffman Estates and the upper-crust Barringtons—a feud that goes back to the 1960s, when Hoffman Estates expanded northward, across the tollway, by annexing the Barrington Road bridge.

"This happens when you have two truly diverse land-use policies" butting up against one another, said Robert Kosin, director of administration for Barrington Hills. "We don't look at our land as a commodity, but as a stewardship."

Hoffman Estates officials, for their part, bristle at the thought of interference by their affluent neighbors.

The Barringtons "are trying to use sanitary sewers as a means of controlling another community's property," said Peter Bur-

See Land, pg. 18

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# Land

Continued from page 1

chard, Hoffman Estates village manager.

Burchard charged Barrington Hills with hypocrisy for considering a 17.5-acre office-industrial park across Ill. 72 from Poplar Creek. "If we were to propose the same thing for Beverly, they'd go through the roof."

And as for the complaint of Barrington officials that it would be premature for the state EPA to change a parcel's sewer district when no development plan exists, Burchard said, "They put that silly suggestion on the table eight years ago. . . . It's a smokescreen to keep Hoffman Estates from developing."

"Remember, these are the same people—especially in Barrington Hills—who spent more than \$160,000 [in legal fees] trying to have the Poplar Creek Music Theatre demolished six years after it was built," Burchard said.

Barrington Hills and South Barrington sued Hoffman Estates and Poplar Creek in 1978 to do away with the outdoor music theater, which they said would exacerbate traffic congestion in the southern Barrington area.

But the plaintiffs changed their tune and recognized the theater's right to exist under a court-approved settlement in 1985.

In return, Poplar Creek's owner, the Nederlander Organization, agreed not to expand its seating or parking capacity, and to abide by mutually agreed-upon signage, landscaping and lighting standards.

More significant, Nederlander agreed to restrict development to the existing theater and, in the future, a hotel no more than 100 feet tall on its 135 acres east of the Elgin, Joliet & Eastern Railroad tracks, which bisect its holding.

No more than 1.3 million square feet of office, research or light assembly buildings would go on the 86 acres west of the tracks.

Most buildings would be restricted to four stories in height; a few could go as high as 10 stories; and no retailing, nor any residences, would be allowed.

The floor area ratio, or the ratio of building size to land, worked out to 0.35 west of the tracks. In comparison, Hoffman Estates has allowed a denser floor area ratio of 0.53 and buildings up to 15 stories tall in the Greenspoint office-hotel project at Ill. 72 and Barrington Road, Kosin said.

James Kempe, village president of Barrington Hills, said that if the Beverly property was restricted to the densities of the Poplar Creek settlement, "I wouldn't get up and cheer, but I suppose I'd have to stay quiet."

It seems like a logical compromise, but with Barrington Hills and Hoffman Estates officials already accusing each other of intransigence, the odds are that a compromise will not be forged easily.

(Indicate page, name of newspaper, city and state.) *p 2 Sec. 2. Chicago Tribune*

(Mount Clipping in Space Below)

Date: *12-20-88*  
Edition:

Title: *Challenger enters mayoral race*

Character:  
or *194 C 779*  
Classification:  
Submitting Office:

*194 Chicago Sub E-74*

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**Hoffman Estates 12/20/88**  
**Challenger enters mayoral race**

Hoffman Estates Trustee Richard A. Cochran on Monday became the second person to declare his candidacy for village president in next April's municipal elections. Cochran, 27, a senior claims adjuster for Allstate Insurance Co., will go up against fellow Trustee Michael O'Malley, 46. Current Village President Betty J. Gloyd announced last month that she would not run for re-election.

Cochran is a lifelong resident of Hoffman Estates and a Republican precinct captain who has been active in the Republican Organization of Schaumburg Township (ROOST) since high school. A group within ROOST, the Hoffman Estates Republican Municipal Central Committee, endorsed his candidacy last weekend.

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Page 1 Section 5  
DAILY HERALD

Date: 12-29-88

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title:

Elvis incident breaks  
political routine

Character:

or

Classification: 194 C- 179

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Indexing:

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# Elvis incident breaks political routine

BY DAVE MCKINNEY  
and STEVE GORECKI  
Daily Herald Staff Writers

Elvis Presley was not seen alive in Hoffman Estates or Schaumburg this year, but the name of the rock 'n' roll great had a place in politics during the last 12 months. And who would've figured?

Generally, like other years, the inner workings of local governments were pretty routine. Unchanged was the continuing saga that starred Schaumburg Village Clerk Jo Ann R. Wolf and virtually every other village official, elected or otherwise. Likewise, bickering droned on among members of the Schaumburg Township Elementary District 54 school board.

What made the year unusual, at least in terms of politics, were the doings of Hoffman Estates Village President Betty J. Gloyd. Perhaps the biggest news of the year was her decision not to seek re-election after a tumultuous four-year term at the village helm.

Before that decision came, though, Gloyd was at the center of an odd affair in which she was arrested by Memphis police, who had been called after security guards at Presley's Graceland mansion claimed Gloyd and a companion were trespassing.

The August run-in caught the fancy of wise-cracking Chicago radio morning disc jockeys. And for the most part, her fellow elected colleagues all just rolled their eyes. A \$5 million Gloyd lawsuit is pending against Presley's estate.

Schaumburg leaders also were red-faced — but not by Gloyd's travails. The village found itself on front pages, literally across the country, for summer plans that would have banned ice cream trucks from village streets during what then was a record hot streak. The idea, aimed at ensuring youngsters' safety, melted away like a double-dip vanilla cone in summer heat.

There were other headlines — like the dedication of a veteran's memorial in Hoffman Estates and Schaumburg's plan to create a special taxing district to save the flagging Olde Schaumburg Centre. These and other stories influenced the way Schaumburg and Hoffman Estates residents went about their lives this year. Beginning with the Gloyd story, here's a sampling.

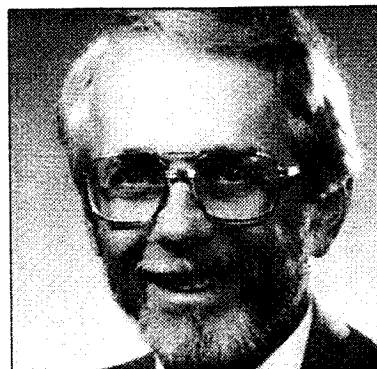
## Biggest story

A lively, sometimes tumultuous chapter in Hoffman Estates politics will come to a close early next year as a result of Gloyd's announcement in November that she would not seek a second term as village president.

Gloyd came into office high on the heels of an upset victory over embattled incumbent Village President Virginia M. Hayter.

But a term that began with promise, hope and support of most of the village trustees quickly evaporated into a period of controversy and political bickering that at one point saw Gloyd pitted alone against all six trustees.

Disputes developed between the



Charles W. Smith

FBI/DOJ

two sides over issues like appointments and mailing lists.

Gloyd ended months of speculation about her political plans when she announced after Thanksgiving that she would not seek re-election. She said her decision was based mainly on her belief that she'd accomplished all the goals she set nearly four years ago when she beat Hayter.

But perhaps Gloyd's biggest embarrassment occurred just two months before her announcement not to run again.

En route home from the Republican convention in New Orleans last August, Gloyd and a West German companion were arrested and charged with criminal trespass after pushing their way through the entrance gates of Graceland.

All records of the incident were later expunged, or stricken from the record, but Gloyd later filed her false arrest lawsuit against officials at the mansion.

Gloyd said she is pursuing the lawsuit because her arrest and subsequent early-morning incarceration alongside "people arrested for any and all crimes" was "embarrassing and humiliating."

The case is not expected to go to trial for at least two years.

And while Gloyd picks up the pieces, two fellow board members, trustees Michael J. O'Malley and Richard A. Cochran, will be doing battle in the next three months to take over her seat on the board.

An ironic footnote to the upcoming election is Hayter's re-emergence onto the village's political scene. Back from a hiatus in Florida, Hayter is running unopposed for village clerk, the first time in her lengthy political career she has not had an opponent. Her ties to public service, in some ways, made the decision understandable if not expected.

## Most predictable

After a year of relative tranquility, thanks to the 1987 resignation of Beth Carpenter, the Schaumburg Township Elementary District 54 school board returned to its predictable intraboard bickering.

It began with silence, several months of silence, from board member Charles W. Smith, who missed eight of 11 meetings in one stretch, offering no reason at the time for his unprecedented absence.

After Smith's absence left the board with two tie votes on key issues involving school boundary changes, his colleagues had had enough. Meeting behind closed doors well into the night on St. Patrick's Day, the board, by a 4-2 vote, censured Smith.

The resolution, which was sent to Cook County Regional Superintendent Richard J. Martwick's office, demanded Smith to "...show cause why his seat should not be declared vacant," although a school board cannot declare a seat vacant.

Smith did not take the rebuke kindly, offering a stinging rebuttal aimed at the four board members — board President Vicki W. Harms and board members Arlene D. Czajkowski, James L. Slater and Martha E. Swierczewski. Smith said the censure "bordered on crassness."

Smith, in offering "work commitments" as the reason for his absences, at the same time accused other board members of not being qualified to run the district because they are housewives. "In case you have forgotten, I work for a living..." he said.

While in past years it was Slater who would normally join the fray, this year it was Harms who put on the gloves to face Smith's verbal challenge. In her own stinging letter,

read at a board meeting, she defended the board's action and accused Smith of attempting to focus attention away from his own poor attendance record.

Although Smith's attendance improved markedly for the rest of the year, and tempers around the board table calmed significantly, 1988 ended with his resignation. He stressed that his stepping down had nothing to do with the censure. Harms even presented him with a plaque honoring his eight years of board service. Just recently, Rosanne Levin was named to fill his slot on the board.

But if District 54 holds true to form, the exiting of controversial board members will not necessarily rid the bi-weekly meetings of controversy.

## Story won't die

Perhaps as predictable as District 54's squabbling was the ongoing saga of Schaumburg Village Clerk Jo Ann R. Wolf. Story after story, many seemingly with the same headline, led back to the fact village trustees took from Wolf the collector's title and its \$37,060 salary.

During the course of the year,

Wolf's actions surprised and infuriated virtually everyone she came into contact with.

First was her decision in May to make all village committee and commission members disclose their personal finances. For the first time ever, those belonging to such groups as the village bikeway advisory board and the committee on aging were compelled to open their personal ledgers or risk fines and their seats on the panels.

State law gives municipal clerks sole authority to determine who must meet the filing requirements. State statutes say all elected officials members of a plan commission or zoning board and village employees making more than \$35,000 or more must file the state forms.

Wolf maintained that 295 people meet those standards, while Village Manager George P. Longmeyer said only 163 do.

"All I can say," Wolf said, "is if I were a reporter, I'd have my curiosity raised. What are all these people who don't want to file trying to hide."



# 1988: Elvis incident breaks political routine

Continued from Page 1

Angered by Wolf's crusade, the village filed suit against the village clerk, asking a Cook County circuit court judge to side with Longmeyer on the matter. Business development commissioners Stuart L. Olin and George S. Dunham, now a candidate for village trustee, joined in the still-pending lawsuit.

Barely after the financial disclosure form controversy had settled into the courts, Wolf and administrators were at it again, this time in July over the issue of voting.

With more residents wanting to register to vote because of presidential elections, Wolf, the only person in village hall authorized to sign up voters, was swamped. Longmeyer offered the help of four village employees, all of whom were former deputy registrars. Wolf refused.

Seeing the deadlock, Nancy Larson, the wife of Village President Al L. Larson and head of the Schaumburg League of Women Voters, authorized the four to sign-up voters under the banner of the organization.

Residents, while confused at having two places to register in village hall, were downright mad a week before the November election. This issue centered on absentee voting in village hall.

Wolf claimed she had neither the space nor staffing to run absentee voting, a tradition in village hall for at least the last 18 years. What that meant was anyone who wanted to vote but was going to be out of town Election Day had to go to Kasper's Chicago office or mail it to him. Schaumburg Township Republican Committeeman Donald L. Totten estimated the move cost the local party 150 votes.

"When she ran," said Longmeyer, assessing Wolf's stormy summer and fall, "her point of contention was that (former Clerk) Sandy Carsello was all political. As it's turning out, Jo Ann is the same church, but a different pew."

## Legislating fun

Certainly less tense politically, Schaumburg was accused of stealing summer and Christmas in a series of legislative maneuvers to hit ice cream vendors, skateboarders and a wayward Christmas tree salesman.

Constituents were left scratching their heads by discussion in June to kick ice cream vendors off the streets. The village said its rationale was to prevent an accident caused by a child running into the street to follow the colorful ice cream trucks.

"It's a question of when you have something so attractive coming down the street does it compromise a child's safety? Does a kid run out in a street when he shouldn't?" said Police Capt. David E. Kujawa.

The answer to Kujawa's question, in Schaumburg at least, was no. That fact coupled with widespread ridicule at the suggestion prompted the village to drop the idea cold.

At about the same time the ice cream truck ban was being considered, village trustees began moving toward restrictions on skateboarders. Under plans approved finally in December, teen-age enthusiasts aren't allowed to do their thing on commercial property or on land owned by the village.

About a month before the village imposed skateboarding restrictions, trustees were portrayed collectively as the Grinch for telling an Oregon, Ill., tree farmer to set up elsewhere — after he claimed to have spent \$25,000 on trees under the assumption he could sell in Schaumburg.

Richard McCanse said he'd called the village in March and was told all he had to do to set up shop in Schaumburg was appear before trustees in the fall. He did, but didn't hear what he wanted to, with the

board saying the village has a policy that keeps for-profit Christmas tree salesmen out of Schaumburg because of the "image" it may create.

"It looks like we're the Grinch that stole Christmas. First we steal summer, then we steal Christmas... The story he was giving our board, I just don't accept," Larson said.

There was a happy ending to this story, though. A Hoffman Estates businessman offered his parking lot to McCanse, a move which Hoffman Estates approved.

## Most inspirational

On a more serious note, military casket flags that once drew dust on closet shelves gained new significance in November when an elaborate flag memorial to all U.S. veterans was dedicated on the grounds of the village hall in Hoffman Estates.

More than a year in the making, the memorial was the idea of Trustee Bruce C. Lind who said the Northwest suburbs were sorely lacking such recognition for the nation's fallen veterans.

"This is something that should have been done out here a long time ago," Lind said.

The effort began in 1987 after Lind witnessed a stirring local salute to Vietnam veterans on the Fourth of July. It soon snowballed into a communitywide mission that saw individual veterans and groups pitch in to plan, build and raise money for the \$45,000 memorial. To date, more than half the money has been raised.

## Happiest story

Another inspirational story turned out to be the year's happiest. This story could just have easily turned out tragic were it not for a Conant High School requirement that all students learn cardiopulmonary resuscitation.

It was almost 8:30 on the evening of Jan. 19 when 16-year-old Cheryl Forward heard what she later described as a "loud snoring." Both she and her sister, Suzanne, raced up from the basement. They found their father, William A. Forward, in a trance-like, semi-conscious state.

They began administering the life-saving technique and continued until paramedics arrived. Forward eventually underwent surgery to correct a blocked carotid artery, the major artery that carries blood to the head.

"Had my kids not started CPR when they did," Forward said, "I probably wouldn't have made it at all or I would have suffered brain damage."

Forward celebrated his 47th birthday about a month later. And doctors expect him to live "to a ripe old age."

## End of an era

She never voted on a single issue in Schaumburg Township Elementary

ry District 54. But anyone will tell you part of the heart of the district was lost when Betty Helsper, executive secretary to the board of education, retired this spring after 22 years on the job.

Known far and wide simply as Betty, she sat through more than 500 of District 54's often rancorous, never brief meetings of the school board. Through it all, she remained unruffled.

"You have to be the kind of person who is unflappable," Helsper said. "You have people coming at you from all directions. You have to be very diplomatic."

## Top business story

Perhaps the beginning of an era of good fortune for businessmen in the ailing Olde Schaumburg Centre area in Schaumburg is the creation of a tax increment financing district.

Village trustees moved to impose the special district as a means to attract commercial growth to the 522-acre historic area near Roselle and Schaumburg roads.

The village will borrow up to \$9 million to finance a wide array of public improvements in the area, ranging from a new park to the upgrade of street intersections in the area. Repayment of the debt will come from future tax revenue above what now is generated.

"If the TIF is successful," said village Planning Director Thomas C. Koenig, "then the real benefit will be to the community because it will create a town center. You can't put a dollar figure on this. It will just make Schaumburg a better place to live."

The only governing body to oppose the measure was Schaumburg Township Elementary District 54, which said it stood to lose in excess of \$1 million over the 23-year life of the TIF.

## A new school

Hoffman Estates soon will get a new elementary school, thanks to passage of a \$64 million construction referendum by Palatine Township Elementary District 15.

The new Frank C. Whiteley School, to be located on Haman Avenue, will contain 26 classrooms and will house a maximum of 600 students. The \$6 million school will be completed by the beginning of the 1989 school year.

The new school is the most prominent and expensive project in a series of building additions that will be funded through higher taxes.

## Clearing the air

Following a nationwide trend, smoking in public places moved out of vogue in 1987, with governmental bodies in Schaumburg and Hoffman Estates adopting stringent anti-smoking legislation.

The most sweeping no-smoking law was put into effect in Hoffman Estates. Residents knew it would come sooner or later, especially since a referendum passed in 1987 in which voters favored a ban on lighting up around others in public places.

What developed out of the referendum was a law approved in May that restricts smoking in restaurants seating 40 or more people and workplaces with 15 or more employees.

"This is an ordinance whose time has come," said Trustee Michael Friesen. "It's obvious the pendulum has swung in this direction."

In Schaumburg Township Elementary District 54, the air will clear and the ashtrays will become paper clip holders, thanks to a smoking ban enacted by school board members in August.

With the powerful Schaumburg Education Association standing behind the ban, school board members declared the district smoke-free. Some had suggested a partial ban because some feared cigarette-craving teachers would go outside to smoke and be a bad influence for students.

The ban is to take effect Jan. 1, and the district has pledged to pick up costs for no-smoking clinics.

Finally, in Schaumburg, members of the board of health pushed for a referendum that would ask whether voters wanted village employees to smoke in village buildings. A village committee nixed the idea of a vote, instead leaving restrictions up to Village Manager George P. Longmeyer.

## Quote of the year

Some of the year's most colorful language came from a person who may never have set foot in Schaumburg or Hoffman Estates. The passage, from a Graceland security guard named Debbie Jarvis, happened after word traveled north from Memphis of a run-in at Presley's estate by Betty J. Gloyd and her West German companion.

"She said she was the mayor of somewhere," Jarvis said. "She was talking nonstop and would not leave the guardhouse. She wanted to know why the German was stopped and as the guards told her what was going on, she was not listening."

Gloyd later refuted Jarvis' comments and included the Graceland official among people named in Gloyd's \$5 million false arrest lawsuit now in the Memphis courts.



**Betty J. Gloyd**



**Jo Ann R. Wolf**

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# 1988

**a look back**

# 1000



**Sgt. Mark Fox of Hanover Park, Army Special Forces, stands guard in front of Hoffman Estates' newly dedicated flag memorial.**



**Former Hoffman Estates Village President Virginia M. Hayter, pictured blowing kisses to the crowd at the Fourth of July parade, will become the new village clerk in 1989.**

Daily Herald Photo/Rich Chapman



**After 22 years on the job, Betty Helsper decided to retire as secretary to the Schaumburg Township Elementary District 54 superintendent.**

Daily Herald Photo/Dave Tonge

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(Indicate page, name of newspaper, city and state.)

Sec. 5 Page 1  
DAILY HERALD

Date: 1-5-89

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title: New shops coming...

Character:

or

Classification: 194C-779

Submitting Office:

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Indexing: 194C-779 sub E-76

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# New shops coming to Huntington Plaza

1-5-89 Sec 5 P.1

By STEVE GORECKI  
Daily Herald Staff Writer

An Ace Hardware Store and several other shops will be coming to Huntington Plaza Shopping Center now that Hoffman Estates trustees have approved the expansion plans after nearly six months of debate.

The village board, which rejected the expansion last October, approved the plans this week after Schaumburg-based Crown Group agreed to a list of 20 conditions that includes having only one driveway exit into a residential area.

Crown plans to build a 44,745-square-foot expansion of the current shopping center at Algonquin and Versailles roads. So far a 23,000-square-foot Ace Hardware

Store is the only announced tenant for the addition.

The plan commission, which began reviewing the expansion last July, recommended approving the proposal that included plans for two driveways exiting onto Versailles Road.

But village trustees in October turned down those plans after residents in the surrounding Charlemagne-Breton Pointe area complained about potential shopping center truck traffic spilling into their residential neighborhood. Crown officials at the time refused to budge on alternative driveway designs.

Faced with the inevitability of not completing the shopping center, Crown officials backed down and made several revisions to the

plans, including eliminating one of the driveways onto Versailles Road.

Crown officials admitted they would "try and make some compromises to see if we can get the thing approved."

The driveways had been the biggest obstacle to passage of the plans, fed mainly by concerns from the Charlemagne-Breton Pointe residents. The residents claimed the shopping center traffic, especially delivery trucks, would spill into their neighborhoods by using Versailles Road as a cut-through to the north.

Among the lengthy list of conditions set down by trustees is the stipulation that trucks exiting the single driveway onto Versailles Road be prohibited from turning right into the subdivision. Trucks

will be forced to exit the center and head south to Algonquin Road.

Signs will be posted warning truck drivers of the regulations.

Crown also agreed to revise the design of the access drive in the center to allow large semi-trailer trucks to negotiate the curves out of the rear delivery drive and exit onto Versailles Road.

Other conditions attached to the plans include requiring an additional light at the driveway, stop signs at the driveway and the end of the delivery route and prohibition of outdoor displays or storage.

Crown reversed an earlier position and agreed to build the entire expansion at one time instead of building it in stages as tenants are found. Crown has six months to take out building permits for the Huntington Plaza expansion.

1/4/89 sec. 1 Page 9  
**Response to Gloyd**

I would like to respond to Betty J. Gloyd's lengthy letter that appeared in the Daily Herald.

I believe the real purpose of this farewell address was to generate positive publicity and sympathy for Mrs. Gloyd, possibly to launch a bid for her re-election.

Four years ago, I eagerly participated in the "Time for a Change" election campaign of Betty J. Gloyd. One that I believed would produce new initiative toward the enhancement of the quality of life for our children. One that would institute a high level of integrity and professionalism, improving economic prosperity and strengthening the essential bonds between neighboring communities.

Within the past four years, I have served our community at various levels under Gloyd's administration, including: as a village employee, her campaign coordinator and as chairman of a village-sanctioned commission.

My perspective of the past four years of Gloyd's administration is quite contrary to her rose-colored scenario.

The enthusiasm generated by an effective grassroots campaign, diminished as Mrs. Gloyd's evasion of the fulfillment of campaign issues became apparent. Political maneuvering was rampant throughout village hall and Gloyd's struggle for power created a chaotic atmosphere, jeopardizing the accomplishment of beneficial community goals.

I believe that the humble, so-called Gloyd accomplishments, were actually the fruition of long-awaited goals, previously initiated by other village officials. Several of the significant achievements were painstakingly conceived many years ago, especially regarding economic growth, community development through innovative land-use proposals and services designed to promote the safety and welfare of village residents.

The commendable efforts of village staff, their years of perseverance, experience and dedicated service, are being undermined by a person who boldly self proclaims her success. Obviously, Gloyd seeks accolades for the final realization of comprehensive goals previously established by others.

In essence, within the past four years, Gloyd's campaign slogan "Time for a Change" has provided minimal substance of the citizens of Hoffman Estates. I cannot delineate fulfillment of a single Gloyd-inspired initiative, characteristic of the changes she promised four years ago.

I look forward to the opportunity of electing officials who really possess distinguishable leadership qualities this year.

Yvonne J. Hasse  
 Hoffman Estates

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**DAILY HERALD**

Date: 1-4-89

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Title: Response to Gloyd

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194C-4449-Sub E-77

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THE VOICE OF SCHAUMBURG

Date: 3/8/89

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# Developer's proposal rejected

By WILSON MEDINA  
Staff Writer

The Hoffman Estates Village Board rejected a local developer's proposal to build two office buildings Tuesday, apparently because questions surfaced over who actually owns the property.

Developer Joseph Zgonina's proposal to build across the street from the Barrington Square Shopping Center ran into controversy when an attorney representing another group claimed ownership of the 2.35 acres located near Higgins and Barrington roads.

"There is litigation currently

pending regarding this particular property," said William Gifford, an attorney for Barrington Venture Partnership, owners of the adjacent property to the west along Higgins Road.

"We feel the property is actually ours and we feel a strong opposition to have someone (else) develop that property."

But Zgonina vehemently denied Gifford's remarks.

"As far as (the title company) is concerned, my wife and I own the property," he said. "There is no question. I have the right to present plans before the Plan Commission."

"He is technically correct," Gifford said. "We contend that the transition of the property into his name was unfair. To say that the title is clear is presumptuous."

By a 5-1 vote, the board denied Zgonina's request. When he asked the board a reason for their action, it declined to comment.

"Thank you for your support," Zgonina said. He refused to comment on the board's action or what he planned to do with the property.

According to Wagner, a court date has yet to be scheduled to determine who owns the property.

# President race gets personal

By **WILSON MEDINA**  
Staff Writer

With three weeks remaining in the race for Hoffman Estates village president, charges of patronage and questions about personal finances seem to be dominating the campaign.

But Trustee Richard Cochran, who is running against Trustee Michael O'Malley for village president, insists he raised the issues against his opponent to better inform the public about the candidates.

"I'm a candidate that is running an open and honest forum," Cochran said. "Because of who I am, I will become a good village president."

According to Cochran, he is a staunch Republican who favors a recycling program, supports another ambulance and paramedic team in the village and advocates allowing citizens more say about the board's actions.

He is portraying O'Malley as a Chicago Democrat who once sought a patronage job with the village, though he's not sure when. And since Cochran has disclosed his income tax returns, and O'Malley hasn't, he suspects O'Malley has something to hide.

"We've had a very good campaign," said Cochran, a 27-year-old Allstate Insurance adjuster. "We're finding a very good response in the precincts."

To Cochran's allegations, O'Malley just shrugs.

(Continued on page 3)

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~~Chicago Tribune~~  
*Voice of Schaumburg*

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## Campaign

(Continued from page 1)

"It's very easy for Rich to sit down and make these statements," O'Malley said. "Rich can file a short form (tax return). He's living at home with his mother. It's a little different when you're in business

for yourself. You don't get W-2 forms.

"When you have no record or issues to run on, the only thing you can do is attack the person."

O'Malley, 47, who runs a private office cleaning business with his wife, said he has written a letter to the IRS requesting copies of his returns. He said when his house burned down last year, he lost all

his personal records.

Instead of fighting Cochran's attacks, O'Malley said he wants to stick to the issues, which includes the development of the western portion of the village, traffic and good community relationships.

"The new mayor will have to have the ability to work with other municipalities," he said. "Any decisions that are made are made by

the mayor and the board. I know we all want stuff done, but you have to do it with fiscal responsibility."

The candidates will have chances to bolster their campaigns by doing well at a candidate's forum today. The Barrington Square Improvement Association will sponsor one at 7:30 p.m. at 1800 N. Williamsburg Drive.



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(Indicate page, name of newspaper, city and state.) **CHICAGO TRIBUNE**  
P. 6Date: **4-25-89**  
Edition: **NORTH SECTION**Title: **1300-Acre Tract gets  
2d OK for Development**Character:  
or **194C 779**  
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Submitting Office:

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Indexing: **194C 779**

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# 1,300-acre tract gets 2d OK for development

By David Iyata

A prime tract of 1,300 acres in Hoffman Estates should get the sewers needed for development to occur, a state environmental officer again has recommended, despite the objections of Barrington-area officials.

A second "proposal for decision" that came out last week echoed one issued last autumn, which recommended that the so-called Beverly parcel be allowed to leave the Barrington Sanitary District and go into the Elgin Sanitary District.

The Barrington sewer district cannot handle the \$1 billion in development that Hoffman Estates officials envision for Beverly. The Elgin district supposedly has more than enough sewage treatment capacity.

A final decision is to be made later this year by Bernard P. Kilian, state Environmental Protection Agency director. Critics of development have until mid-May to file objections with the director.

Beverly, possibly the largest single tract of undeveloped land in northwest Cook County, is on the north side of the Northwest Tollway just west of the Poplar Creek Music Theater.

James Kempe, Barrington Hills village president, said any action by the state EPA would be premature because no development plan is pending for Beverly.

The last proposal, submitted to Hoffman Estates in 1984, called for an International Exposition Park with offices, hotels and 10 million square feet of showrooms—the equivalent of 2½ Merchandise Marts.

Those plans languished due to lack of financing, much to the relief of Barrington-area officials. The project disappeared entirely after the man who would own Beverly and who would have contributed his holdings to the Expo Park partnership, Thomas J. Origer, died in early 1987.

"As far as we know, the property is in the Origer estate and is for sale at \$35,000 an acre," Kempe said. "What Hoffman Estates wants to do is put in the sewers first and then speculate what they can get in there... probably something heavily taxable."

Kempe added that the criticism might be muted if Hoffman Estates agreed to limit the development of Beverly in the same way that the owner of Poplar Creek agreed to limit future development of the land next to its music theater.

That 1987 agreement settled a lawsuit against Poplar Creek by Barrington Hills and South Barrington by barring construction of any housing or shopping, limiting most building heights to four stories and restricting the density of development to a ratio of 35 percent of building space to land.

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O'Malley

Date: 4-5-89

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SCHAUMBURG / HOFFMAN ESTATE

Title:

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Wednesday, April 5, 1989

# O'Malley, slatemates breeze in

**BY WILSON MEDINA**  
Voice Staff Writer

By nearly a two-to-one margin, Michael O'Malley was elected Hoffman Estates village president.

Unofficial results for Tuesday's general elections show O'Malley received 3,317 votes to Trustee Richard Cochran's 1,584 votes.

O'Malley's theme of teamwork paid dividends for the other candidates running with him. Incumbent Trustees Susan Kenley and Bruce Lind, along with Louis

Desruisseaux secured positions on the board.

Unofficial totals for the trustee races show Kenley received 3,590 votes, Lind tallied 3,597 votes, Desruisseaux earned 2,975 votes, Warren Wiwat totaled 1,176 votes and Joseph Kretz finished with 1,524 votes.

O'Malley, who was surrounded by friends and family at his campaign headquarters, said he owed his victory to their hard work.

"I'm ecstatic," O'Malley said. "This is a wonderful feeling. The best feeling of all is what these

people did. Bruce, Lou, Sue and me ... These people won this election for us. It shows well for what we were talking about."

"(The volunteers) wouldn't be able to get in the door," said Lind, who was elected for a sixth term. "I'm very pleased. I feel the people in town support the way I'm working for them. The people in town have my confidence, and I have theirs."

Kenley, who headed the campaign strategy for the "team," said the victory proved to her that residents wanted to hear issues, not mudslinging.

"I'm just elated," Kenley said. "You never know what to expect. The people responded well to the campaign. People don't want to hear (political mudslinging). I think (the voters) said that."

Cochran, aggressive during the campaign, said he would work with all board members.

"We ran a campaign the way it should be run," Cochran said. "We presented issues we thought should have been known. The voters made their decision and I will work with O'Malley."

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# O'Malley fights back on tax charge

By WILSON MEDINA  
Voice Staff Writer

Trustee Michael O'Malley, a candidate for Hoffman Estates village president, lashed out at an opponent's campaign manager last week for implying O'Malley is hiding something by not disclosing his income tax returns.

The incident occurred March 15 during a candidate's forum sponsored by the Barrington Square Improvement Association. During an

open question-and-answer session, Ronald Lovatt, Richard Cochran's campaign manager, asked

O'Malley why he refuses to release his income tax returns.

O'Malley reacted angrily. "If you read the paper or had someone read it to you, you'd know that I have requested my income tax returns from the the IRS," O'Malley told Lovatt.

"If you have no achievements, and you have no record, you attack the person. It's a cheap way to run a

campaign," O'Malley said. "The question was justified."

Cochran has repeatedly said Lovatt, who apologized to O'Malley's refusal to release income tax returns appears suspicious. But O'Malley, who lost all of his personal records when his house burned down a year ago, said the charge is without merit and is affecting his children. "I just wanted to know if he was going to (release his taxes)," he said. "I didn't read the paper and I apologized."

"One of (my kids) asked me about doing something shady," O'Malley said. "That hurts. My kids will keep resurfacing. I think I'm the greatest thing in the world. I was angry about it, but I would not hurt his campaign."

(Indicate page, name of newspaper, city and state.)

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## News of Schaumburg/Hoffman Estates

# New village president vows more contact with residents

**BY WILSON MEDINA**  
Staff Writer

Newly elected Village President Michael O'Malley is getting accustomed to his surroundings. Campaigning to be village president is one thing, actually performing the position's duties is quite another.

"It's a learning experience," O'Malley said. "But you can only do what you can do. Like starting out at any other job, you learn as you go along."

O'Malley, who presided over his first Village Board meeting last week, said he was encouraged by the camaraderie and enthusiasm board members showed during a three-hour meeting.

"Everything is out in the open," he said. "If there's a secret agenda, it's really a secret because I don't know about it. (The board) has been beleaguered — fairly or unfairly — as being a board with a lot of conflicts. I want to see that set aside. I want more communication between the Village Board and residents."

Communication was a major campaign theme for O'Malley, who as a "team member" with

Trustees Susan Kenley, Bruce Lind and Louis Desruisseaux. Although they are all sitting as board members today, O'Malley is quick to point out that the success of the "team" in no way gives him instant rubber-stamp approval on any village business.

"We operate under a council-village manager form of government. I want to see that work," O'Malley said. Unlike former Village President Betty Gloyd, who made village business her full-time job, O'Malley plans to spend only the mornings at Village Hall.

"The village manager carries out the policies of the board," O'Malley said. "(Peter Burchard) should be able to do that without the interference of politicians. We can disagree with each other but it's nothing personal. Prior to this, when there was a disagreement, it was taken personally. Everybody understands that we are working together for the good of the village."

Hammering out a new contract for firefighters, improving traffic flow and helping the elderly are some of the issues O'Malley would like to resolve and improve.

"All the major streets in the village are either (the responsibility) of the state or county. We have to work with them," O'Malley said. "We have to lay out the western lands in such a way that we're not creating problems."

Though he's new at the job, he intends to enjoy his new duties.

"I enjoy helping people. It's easier to help people when you're in this position. As mayor, it's easier to call people and get things done as opposed to just Mike O'Malley calling."

Starting in the fall, O'Malley would like the board to attend different community functions around the village to "see what their concerns are."

"We have to go out to them to see what's happening," he said.

An office, a secretary and the use of a village car are some of the trappings that O'Malley has inherited as village president. But as residents warmly greet him as "Mr. Mayor," the smile on O'Malley's face says the title and the chance to prove himself worthy of leading the village for the next four years means the most to him.

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May 10, 1989

Section One, Page 3



Photo by Tanit Jarusan

Hoffman Estates Village President Michael O'Malley goes over development plans with Village Clerk Virginia Hayter.

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# Hoffman Estates touted for Sears

By Stanley Ziemba  
and Merrill Goozner

5/11/89 Tel  
See-3 Page 1

State officials are pitching a Hoffman Estates site to Sears, Roebuck & Co. as an alternative to land near O'Hare International Airport for relocating 6,000 workers from Sears Tower, sources familiar with the state's efforts said Wednesday.

The site, about 1,300 acres of mostly undeveloped land just west of the Poplar Creek Music Theater, is being touted as ideal for a new Merchandise Group headquarters if Sears finds that remaining within the city is unacceptable, the sources said.

State officials have held several discussions with Hoffman Estates officials and those in neighboring suburbs, the sources added. State and Hoffman Estates officials, however, would neither confirm nor deny Wednesday that the site is among those being offered to Sears. Sears officials repeatedly have refused to discuss their relocation efforts.

"I have no comment," Peter T. Burchard, Hoffman Estates village manager, said Wednesday. He noted, however, that the site is "possibly the best site left in the Chicagoland area" for an office-type development because of its proximity to O'Hare and the tollway system.

Sears has indicated to state and Chicago officials that it wants a campus-like, low-rise, suburban-style office development for its new Merchandise Group headquarters and would require a site large enough to accommodate such a facility as well as enough extra land for any office space the firm might need later.

Because of its desire for a large tract of land, Sears has narrowed its options for relocating the 6,000 Merchandise Group workers within the city

See Sears, page 6

(Indicate page, name of newspaper, city and state.) See 3 Page 1  
Tribune

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## Sears

Continued from page 1

to a 200-acre site on the north side of O'Hare airport. In addition, the firm is said to be considering several large north and northwest suburban Chicago locations as well as sites in other cities, including Charlotte, N.C., Dallas, Houston, Denver and Kansas City.

State officials have not said what incentives the state is prepared to offer Sears to remain in Illinois, but have said the package will rival the \$88.2 million in tax breaks, land and job training funds the state provided Diamond-Star Motors Corp. in 1985 for the Chrysler-Mitsubishi joint-venture plant in Illinois.

The incentive package provided Diamond-Star, the largest ever offered by the state, included free land, \$40 million in job training funds and a 50 percent reduction in property taxes for 10 years.

The Hoffman Estates site is bounded by Ill. Hwys. 72 and 59 on the north and east, the Northwest Tollway (Int. Hwy. 90) on the south

and the Cook-Kane County line on the west. It includes the Poplar Creek Music Theater and a gravel quarry, but most of the land, more than 1,200 acres known as the Beverly parcel, is vacant.

The site is controlled by the New York-based Nederlander Organization, which owns Poplar Creek, and by the estate of Thomas J. Origer, a developer who died in 1987.

The Village of Hoffman Estates has called for using the property for commercial office and research facilities and is trying to obtain state approval to run a sewer line from the site to the Elgin Sanitary District.

Real estate observers in the Hoffman Estates area contend that with adequate sewers, the property could command as much as \$150,000 an acre, and that \$1 billion worth of development eventually would be built on the site.

Officials of neighboring South Barrington, Barrington and Barrington Hills, however, are wary of large-scale development on the site, because of already extensive traffic problems.

David Ibata contributed to this report.

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(Indicate page, name of newspaper, city and state.) *Sec 3 Page 2 Tribune*Date: *5/12/89*  
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# Barrington warms to Sears as neighbor

By David Iyata

Though they're not quite ready to have everyone over for tea, Barrington area officials are slowly warming to the possibility of having Sears, Roebuck & Co. and 6,000 office workers move in next door.

"If Sears were to buy this property and put in a fine corporate building, I wouldn't be thrilled out of my shoes, but it would sure be better than all the other things that have been proposed for this land," said James A. Kempe, village president of Barrington Hills.

Kempe referred to 1,300 mostly undeveloped acres along the north side of the Northwest Tollway west of Ill. Hwy. 59. Known locally as the Beverly area, the land is in Hoffman Estates and includes the Poplar Creek Music Theater.

Barrington Hills and South Barrington sued in the late 1970s in an unsuccessful attempt to shut down the theater, saying it worsened traffic congestion in the area. But the purported congestion would have been nothing compared to what might have transpired under the ambitious development schemes hatched over the years for the rest of Beverly.

One plan called for more than 5,000 rental apartments, and another, an International Exposition Park with four hotels, 10 million square feet of showrooms, a World Trade Center and even an airport.

In recent months, Barrington area officials have argued against a proposal that sewer lines be extended from Beverly to the Elgin Sanitary District to make development possible.

But now, sources say, Illinois economic development officials see Beverly as one way of keeping 6,000 Sears jobs in the state. That puts a new spin on things.

"At first blush, it would sound like Sears would be someone we could work with," said Don Klein, executive director of the Barrington Area Council of Governments. "A single user on that site might be better than a number of different users."

Sears wants to move its Merchandise Group out of downtown Chicago. The state is trying to convince the retailing giant to move those jobs to either Hoffman Estates or a vacant tract at O'Hare International Airport, rather than to Texas, Colorado, Missouri or North Carolina.

Warren Fuller, president of South Barrington, said his village "would certainly consider a plus" a facility similar to that of Sears' Allstate Insurance Cos. in South Barrington, just east of Beverly.

Home of Allstate's commercial lines operation, the three-story facility will house about 1,700 employees when an addition is completed this fall.

There will be 492,000 square feet of buildings on 66 acres, which Fuller estimated would mean a ratio of office space to land of about 16 percent.

An office-hotel project in nearby Hoffman Estates, in comparison, was allowed buildings up to 15 stories and a floor-area ratio of roughly 50 percent.

June 14, 1989

## Family life

# Mayors remember fatherly lessons

**By DENISE LINKE**  
News Editor

What was the best gift your father gave you?

For three suburban mayors, the answer is patience — and the gift of gab.

"My father always had time to talk to us kids," said Hoffman Estates Village President Michael O'Malley. "No matter what he was doing, he'd always stop and answer whatever questions we had."

Michael O'Malley Sr., a Chicago stepplejack, taught his four children mostly by example, said his son and namesake.

"My father didn't have a lot of education, but he had a lot of common sense," O'Malley said. "He was very wise, and he was a great role model."

One thing O'Malley said he learned was to have faith in his family, no matter what.

"When we were kids, all the kids in the neighborhood would play baseball in the streets," he said. "We'd write our names on our baseballs so we wouldn't lose them. One day we were playing and my dad called me to come up for lunch. While I was at lunch, another kid hit my baseball through somebody's window and ran."

"Awhile later, this guy came up to our apartment and said to my dad, 'Your kid broke my window.' My dad asked me if I had, and, when I said no, he turned to the guy and said, 'No, he didn't.' When the guy showed him the baseball with my name on it, my dad said, 'I'll replace your window, but my son still didn't do it.'"

"Then the guy said to my father, 'Who are you going to believe — me or a kid?'" O'Malley reminisced. "My father looked at the guy and he said, 'I knew my son from the minute he was born. I just met you a few minutes ago.'"

Himself the father of nine children, O'Malley said he tries to act the way his father did.

Being her father's "buddy" as a child helped Hanover Park Village President Sonya Crawshaw succeed in village government, she said.

"My dad taught me primarily by example," Crawshaw said. "He is a man of great integrity who believes his word is important."

Crawshaw said the hours she spent hunting and fishing with her father taught her the meaning of patience.

(Indicate page, name of newspaper, city and state.)

*The Voice*  
p. 4

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6/14/89

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Mayor Remembers...

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Photo by Tanit Jarusan

Surrounded by offspring, clockwise from lower left, Joey, Michael, Maribeth, Thomas, Michelle, Nicole and Tiffany, Hoffman Estates Village President Michael O'Malley reflects on the wisdom his father displayed while raising him and his three siblings.

"There I would be, 8 or 9 years old, sitting in a boat with my dad, fishing," she said. "It was hard to sit still, but we had to be quiet so we wouldn't scare the fish away. I would watch my father, sitting there so patiently, and I tried to be like him. Now I look back and realize how patient he was being with me."

Though he never held public office, salesman Walter Hansen served his small Wisconsin town by participating in civic projects, Crawshaw said.

Politics does, however, run in Crawshaw's family. Recently she discovered that her father's grandfather, John J. West, served as mayor of Barron, Wis., during the 1930s.

Bensenville Village President John Charles Geils also has politics in his ancestry. His grandfather, Leonard, spent a year or so as interim Bensenville village president during the Depression.

Geils said, though, that the most important legacies his father has passed on to him are patience, a share in the family funeral home and the ability to interact with other people.

Both the village president and his father inherited a commitment to

Bensenville that began in 1898, when carpenter John Christopher Geils expanded his coffin-making business into a funeral parlor, Geils said. That sense of responsibility prompted Geils to join the family firm several years ago.

One of the biggest advantages to working in the funeral home is the chance to work alongside his father, who still owns and controls it, Geils said.

"Of course, in a service-oriented business there's a lot of pressure, and we get in each other's way sometimes," he said. "But I'm sure many people would love to have the opportunity to work together side by side with their fathers like my father and I do."

Though Geils' father, John William, worked a lot of overtime in the years he raised his family, Geils said he always found time to spend with his children — and his neighbors' children. The village president said some of his fondest childhood memories center on the pickup softball games held in the family's big back yard.

"No matter how tired he was when he came home, he would come out and pitch for us every night," Geils said. "A lot of the kids who stayed here still recall that."

# Officials hoping to woo Sears

*Voice* 6/14/89  
BY WILSON MEDINA  
Staff Writer *p-1*

With the state making its final push to keep Sears Roebuck & Co. in Illinois, Hoffman Estates officials are hoping negotiations will translate into a new owner for 2,000 acres of undeveloped land on the village's west side.

"We would love to have Sears here," said Village President Michael O'Malley. "I feel that it would be beneficial to Hoffman Estates and to Sears, inasmuch that Hoffman Estates is a community with room for them to spread out. You don't have the same boxed-in feeling you have somewhere else."

State officials want to box Sears inside Illinois to keep 6,500 jobs, and are pulling out all the stops to accomplish that goal. Hoffman Estates's available land has made the village serious bait for Sears officials. Publicly the company says it has reached no decision.

To help sway Sears officials, the state's 24-member congressional delegation signed a letter reassuring Sears that they would do "all we can" to keep the company in Illinois.

"The letter was expressing a sincere desire of the delegates to help Sears in any way," said Rep. Lynn Martin's press secretary, David Fox. Martin spearheaded the congressional effort and was thanked by Jay Hedges, director of the Illinois Department of Commerce and Community Affairs. In a letter to Martin he said the state was offering "significant financial incentives," including land, new roads and sewers, tax abatements and job training assistance.

"Those are basic elements of any economic development assistance programs," Fox said. "(The state) is trying to be supportive any way they can to gain jobs and keep jobs in the state."

(Indicate page, name of newspaper, city and state.)

*The Voice*  
*Chicago* *p-1*

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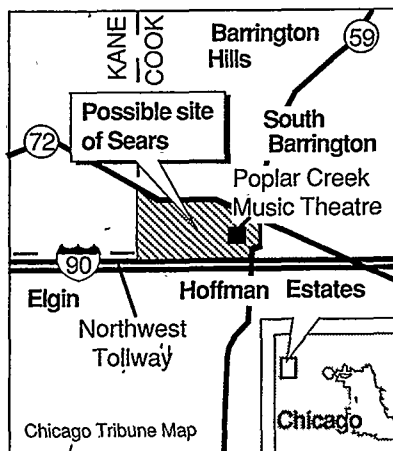
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City/suburbs

# Lawmakers boost suburb's chances of landing Sears



By Wilma Randle  
and Daniel Egler

Two bills pending in the Illinois General Assembly to expand the number of tax-saving enterprise zones allowed in the state could boost northwest suburban Hoffman Estates' chances of becoming the new home for Sears, Roebuck & Co.'s 6,000 merchandise group employees.

The legislative proposals were approved Friday by the House and sent back to Senate, which earlier had approved the bills in different form.

Aides to House Speaker Michael

Also Friday, the Illinois Environmental Protection Agency settled a long-running controversy and approved the extension of sewer lines to the site in Hoffman Estates that Sears is believed to be considering.

On Saturday, the Arlington Heights Daily Herald, citing unnamed sources, reported that Hoffman Estates was Sears' top choice for a relocation site.

But, on the same day, the Raleigh, N.C., News and Observer, also quoting unnamed sources, said Charlotte, N.C., is the favored site, with Raleigh and Dallas close behind.

Attempts to reach Jay Hedges,

director of the Department of Commerce and Community Affairs, the state agency involved in negotiations with Sears, were unsuccessful.

Sears spokesman Ernest Arms would not say if Hoffman Estates was the top choice or even one of the finalists for the relocation. "We have never confirmed any site, anywhere at all," he said.

Hoffman Estates officials declined to comment.

Chicago Mayor Richard Daley said Saturday that the city, which has lobbied hard to keep Sears in Chicago, has had no indication that Sears has made a decision.

(Indicate page, name of newspaper, city and state.) CG- Tribune page 7 sec 2

Date: 6/25/89  
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Madigan (D., Chicago) said Saturday that Madigan has been told that a move will be made in the next week to amend those bills to designate an area of Hoffman Estates as a new enterprise zone and tax-increment financing district.

"But as to the details of the legislation, we don't know," said Steve Brown, Madigan's press secretary.

With tax-increment financing, a municipality sells bonds to make improvements or purchase land to attract new business. Additional property taxes generated by the new business are then used to pay off the bonds.

Since last fall, Sears, the state's largest private employer, has been shopping for a new home for its 6,000 employees who are moving out of the company's landmark Sears Tower headquarters when that building is sold.

Much attention has centered on Chicago's virtually free offer of 80 acres on the north side of O'Hare International Airport between Wolf and Lee Roads along the Northwest Tollway.

The Hoffman Estates property in question consists of about 1,300 acres of mostly undeveloped land along the north side of the Northwest Tollway, west of Ill. Hwy. 59.

(Mount Clipping in Space Below)

# Sears to announce move to Hoffman

*Daily Herald 6/26/89 p1*

BY STEVE GORECKI  
Daily Herald Staff Writer

Sears Roebuck & Co. will announce today that Hoffman Estates has been chosen as the site for the retailing giant to relocate its 6,000-worker Merchandise Group from the Sears Tower, sources close to the talks said late Sunday.

Sears plans to hold a press conference today to make the long-awaited announcement, the sources said.

But Sears spokesman Ernest L. Arms would not comment on whether a final decision had been made or whether a press conference was in the offing.

And Hoffman Estates officials were equally quiet about the expected announcement.

"I have no knowledge of a final decision," said Hoffman Estates Village President Michael J. O'Malley. "But if it's true, I'm ecstatic. It would be a great boon for the state, Hoffman Estates and the whole Chicagoland metropolitan area.

The Daily Herald reported on Saturday that Hoffman Estates was Sears' top choice for its relocation.

The Northwest suburban Sears site is part of an undeveloped 1,300 acres north of the Northwest Tollway at Route 59, just west of Poplar Creek Music Theatre.

There also will be activity in Springfield today aimed at paving the way for Sears to come to Hoffman Estates.

Legislative incentives for Sears,

Roebuck & Co. to move its 6,000-employee merchandise division to Hoffman Estates are expected to be approved in Springfield today.

State Sen. Frank C. Watson, a Republican from Carlyle who sponsored a measure calling for an increase in the number of "enterprise zones" in Illinois, said Sunday that he does not expect much opposition to the incentive package.

Originally written to create seven enterprise zones to help downstate communities attract business, the bill has been amended in the Illinois House to set aside one of the zones for Sears.

Under the amendment, if Sears remains in the state, the Illinois Department of Commerce and Community Development automatically would provide the retailer a variety of tax incentives without requiring it to go through a competitive application process.

Watson said he will recommend the Senate approve the amendment. He said he expects a vote to be taken today or Tuesday and that even though Chicago stands to lose Sears to the suburbs, he does not expect opposition from city legislators.

"There could very well be some, but I was under the impression that the goal is to keep them in Illinois," Watson said. "Whether it is in Chicago or not doesn't really matter."

(Indicate page, name of newspaper, city and state.)

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Section 1/News 5

## SEARS: Legislature should OK tax breaks

Continued from Page 1

If land is designated as an enterprise zone, Sears would not have to pay the 5 percent sales tax on any building materials used to build the facility. It also would cut the retailer's property taxes for the first 12 years.

The incentives could save Sears much as \$100 million over 12 years if the new merchandise headquarters costs \$300 million as expected.

Also on Sunday, South Barrington Village President Warren Fuller, co-

executor of the estate of the late Inverness developer Thomas Origer which owns most of the property, indicated Sunday that the sale of about the 520 acres owned by the estate is imminent.

But Fuller refused to say whether Sears had taken options on the land or finalized a deal on the property.

Also contributing to this report was Daily Herald Staff Writer Jean Wright and Dave Urbanek of the Daily Herald's Springfield bureau.

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

Chicago Tribune

p. 1

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# Sears picks Hoffman Estates

## Deal hinges on approval of tax breaks

By Merrill Goozner

Sears, Roebuck & Co. and state officials late Sunday struck a deal to move Sears' merchandise group from the Sears Tower to northwest suburban Hoffman Estates, a source close to the negotiations said.

While the agreement didn't specify the number of jobs, state negotiators got Sears to agree to move the group, which currently employs 6,600 but is slated to shrink as part of Sears restructuring.

The state put together an incentive package worth an estimated \$61 million to lure Sears from the city to a 200-acre site north of the Northwest Tollway and just west of the Poplar Creek Music Theatre. Local tax breaks to the giant retailer will be worth an estimated \$178 million, the source said.

A Sears spokesman would not confirm the apparent deal late Sunday. "We will announce the decision to everyone at the same time," said Ernie Arms, the Sears spokesman.

The deal is expected to be announced by Sears at a news conference Monday morning, the source said.

The source said the deal still is contingent on the state legislature changing the state's tax increment-financing laws, which will enable Sears to acquire with its own property tax payments up to 600 additional acres at the site.

Under the deal, the state will spend \$33 million for site development and infrastructure improvements at the site. The Illinois Department of Transportation will spend \$20 million on highway improvements near the site, including an eastbound in-

See Sears, pg. 2

FBI/DOJ

Xiao, who has been labeled the "black hand" behind the student demonstrations. The camera caught him talking to Wu'er Kaixi, one of the professor's students at Beijing's Normal University and the most wanted of the 21 people on the government's blacklist. A hidden camera

was watching his movements. He went the commentary.

Liu studied in the United States and the TV commentator pointed out that "this bad element" had returned hurriedly from a lecture tour in Norway "to mastermind the turmoil."

## Sears

Continued from page 1

interchange to the tollway from Ill. Hwy. 59 and substantial road improvements on Higgins Road and Ill. Hwy. 59.

The state also pledged to declare the area an enterprise zone. Financial benefits to Sears from having the area declared a zone would be worth an estimated \$7 million in reduced sales and income tax payments to the state.

The incentive package also includes \$1.1 million in job training funds and a \$1 million state loan to help Sears build an on-site day-care facility.

The deal was cemented, according to the source, in a phone conversation Sunday between Gov. James Thompson and Sears Chairman Edward Brennan. Merchandise group chairman Michael Bozic also gave his final approval to the deal. The city manager from Hoffman Estates, Peter Burchard, also was part of the deal.

Sears estimates that building a campus-style environment on the suburban site will cost about \$220 million. According to the terms of the deal, 80 percent of the property taxes generated by the development will go into a special fund to retire tax-exempt bonds sold by Hoffman Estates to acquire the up to 600 acres Sears will have the right to develop. Twenty percent of the property taxes generated by the development will go to local schools, local government and Cook County taxing bodies.

The development will generate an estimated \$11 million per year in property taxes. If the legislature passes the required change in the tax increment financing statute, the benefit to Sears will be an estimated \$178 million over a 20-year period.

The added tax breaks would make the incentive package offered Sears by state and local officials the most expensive in state history, far surpassing the \$88 million package that brought Diamond-Star Motors to Illinois in 1985.

It also would appear to violate Thompson's repeated pledges that his administration would not act to make a suburban site more attractive to Sears than a city site.

Thompson refused to comment

Sunday on the Sears deal.

City officials had been touting vacant land at O'Hare International Airport as its relocation alternative while state officials had offered several suburban locations, including the Hoffman Estates site.

The giant retailer put state and local economic development officials here and around the nation in a tizzy last October when it announced it wanted to sell its famous downtown tower and relocate its merchandise group to less expensive quarters.

Brennan had said he preferred to remain in the Chicago area, but Sears site location officials had solicited bids from numerous locales including Dallas, Raleigh and Charlotte, N.C., and Atlanta.

In an effort to hold on to the jobs many of which are clerical workers who live in the city, defeated Chicago officials offered Sears 80 acres of land at virtually no cost on the north side of O'Hare between Wol and Lee Roads just south of the Northwest Tollway.

The city also offered Sears reduced property taxes, enterprise zone, tax breaks and job training subsidies. The city also offered the company development arm first rights to develop at market rates another 13 acres of vacant land at the site sources familiar with the negotiations said.

Under tax-increment financing (TIF), property taxes on a new development in a depressed area can be diverted into a fund to repay tax-exempt bonds sold to finance part of a private project, including land acquisition. However, tax-increment financing under existing law could never be applied to vacant land in Hoffman Estates.

Current law says TIF can be used on vacant land only if it meets two of five conditions: The land had obsolete platting, indicating a previous project had fallen through; the land had diversity of ownership, making acquisition difficult; the land had deteriorated structures on neighboring parcels; the land had flooding problems; or the land had tax or special assessment delinquencies.

Since the project paid only a reduced property tax burden under the abatement that is being offered, it will generate 20 percent of its normal property taxes for local schools, local government and the county, or reduce the homeowners' tax burden.

CHICAGO TRIBUNE  
P 1  
(Indicate page, name of newspaper, city and state.)

# The package that landed Sears



Tribune photo by Ovie Carter

Sears Chairman Edward Brennan, with Gov. J. O'Malley of Hoffman Estates, discusses the Merchandise Group's planned move.

## 786 acres free, plus tax breaks

By Merrill Goozner

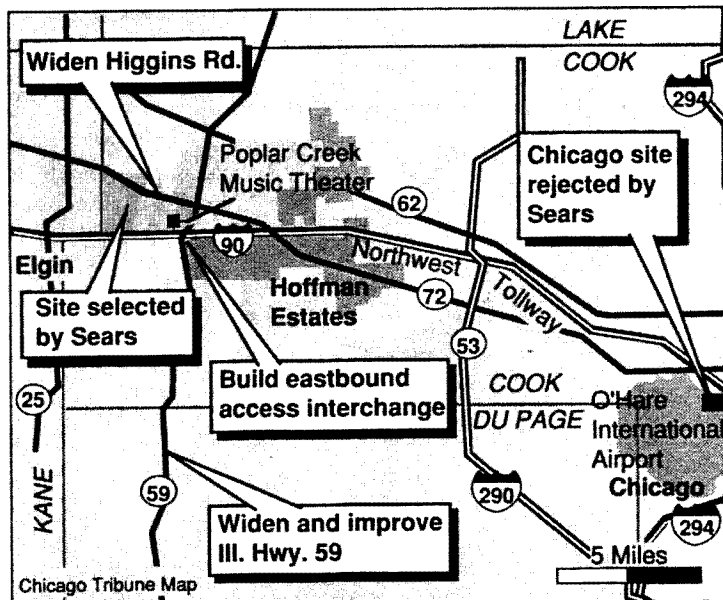
Gov. James R. Thompson and Sears, Roebuck & Co. Chairman Edward Brennan unveiled a generous taxpayer-financed incentive package Monday that will subsidize the

### ● Related stories in Business.

giant retailer's entry into the lucrative commercial real estate business in the northwest suburbs and keep Sears' Merchandise Group headquarters in Illinois.

The deal not only will get Sears a low-cost office campus in northwest suburban Hoffman Estates, but it also will give the company one of the most desirable tracts remaining in Cook County.

The details of the state's



pledge to Sears were announced at a midmorning press conference at the soon-to-be-sold Sears Tower.

All but 600 of the company's 6,600 downtown employees

will vacate the Tower in 2½ to 3 years.

However, how many of those 6,000 Merchandise Group employees will be joining Sears in

See Sears, pg. 8

The Package that  
landed Sears

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## From Page 1

# Sears

Continued from page 1

Hoffman Estates remains unclear. The company is contemplating sharp reductions in its headquarters staff as part of a broad restructuring to reduce costs.

The state, which earlier had sought assurances of at least 5,500 moving to a new Illinois location, dropped all references to the number of jobs that would be moved in the final agreement. However, Sears did promise to keep its Merchandise Group intact.

Thompson called the incentive package, which included \$61.1 million from the state, "the largest job-retention effort in the state's history."

Brennan, whose announcement in October that the firm was moving triggered a nationwide bidding war, called the company's move from the city "the most difficult decision I've reached in my life." The city had offered the company a \$164 million incentive package to move to O'Hare International Airport.

"[O'Hare] did not make it because Hoffman Estates was judged a better site," he said. "Hoffman Estates gives us a lot more land for future use of our own and the development for others." Brennan also said the company had considered 50 out-of-state locations.

City and state officials agreed that the company's choice was dictated by its desire to develop as much as possible of a 1,300-acre tract just west of the Poplar Creek Music Theatre along the north side of the Northwest Tollway. Sears will get 786 acres free in the deal.

"They wanted more land for development," said Jay Hedges, executive director of the state Department of Commerce and Community Affairs.

The company will use 200 acres on the west side of the site for its new quarters. That will leave nearly 600 acres to develop for itself or other companies.

Besides acquiring the nearly 800 acres at no cost, Sears also has signed options to match any offer made for another 400 acres there, Hedges said. Sears officials could not confirm that.

Brennan said profits from commercial real estate development in the area would make its operating costs in the new headquarters comparable to costs in its bought-and-paid-for Sears Tower. That will enable the company to realize the maximum profit from the sale of Sears Tower, without having to plow any of the \$700 million to \$1 billion of Tower sales proceeds into the new site.

"It was our intention to free up capital to invest in other projects," Brennan said.

The \$61.1 million state subsidy will be used to prepare the site for development. It includes \$30.7 million for site preparation and improvements such as private streets, sewers and lighting; a \$2.3 million sewer line; and \$20 million in state highway improvements.

Hedges said it became clear a week ago that there was nothing the city could offer to persuade Sears to build at O'Hare, which would require higher-density con-



Tuesday, June 27, 1989

struction. "A campus-like environment was an emotional issue for them," he said.

But the 786-acre site in Hoffman Estates, which unlike the O'Hare site is privately owned, will require a massive subsidy from the local community to make it cost competitive with out-of-state locations. Hoffman Estates officials on Monday estimated that the private owners will get about \$100,000 an acre for the site.

The majority of the site—520 acres—belongs to the estate and heirs of developer Thomas J. Origer. The Nederlander Organization, which runs Poplar Creek,

owns another 153 vacant acres and also will sell the 68-acre music theater to Sears. Brennan said Sears would continue to operate the theater.

To finance land acquisition—costs of which Sears would not reveal—Hoffman Estates will have to get changes in the state law governing tax increment financing in depressed areas. Thompson said he expected easy passage of the legislation this week.

Under tax increment financing, Hoffman Estates will sell a still undetermined amount of tax-exempt bonds to acquire the land, which then will be turned over to Sears free. Sears in the last week has

signed purchase contracts with the owners, Sears officials said.

Under the deal, Sears will pay off the bonds over 20 years instead of paying its normal property taxes. Hoffman Estates, local schools, Cook County and other taxing bodies will receive \$67 million in the 20-year period, or about 20 percent of the normal tax payments, said Hoffman Estates Village Manager Peter Burchard.

The estimated \$220 million in construction Sears plans at the site could generate about \$8 million in payments annually to the tax increment bond retirement fund, or enough to fund \$76 million in bonds at current interest rates, ex-

perts contacted Monday said.

Burchard said the level of bonding required to cement the Sears deal couldn't be determined. "We hope to have the development plan completed within 90 days," he said.

Even without the additional acreage, Sears' acquisition of 800 free acres in the booming Northwest corridor is a major business coup. "There is enough land for continuous development for 25 years," Brennan said.

He would not say if Homart Development Co., the company's development arm, would be the primary developer of the site.

That it was acquired at taxpayer

expense undoubtedly will draw howls from other developers in the area.

"There has to be a great travesty associated with no-cost land acquisition," said Allen Hamilton of Hamilton Partners, which has office developments rising three miles on either side of the Sears site.

"Those of us in the industry have to be concerned about using tax increment financing to essentially fund development by a direct competitor in the marketplace," he said. "This will be at the expense of other projects in the area that paid full price for their land, are paying a full load of taxes and have to build their own infrastructure."

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(Indicate page, name of newspaper, city and state.)

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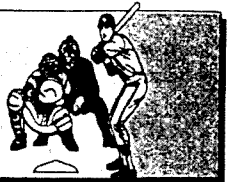
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## Tuesday

### WEATHER

#### Stormy

Partly sunny today with a 40 percent chance of thunderstorms. Humid with highs 85 to 90. Cooler tonight, with lows near 60.

### SUBURBAN NEWS

#### A vote for signs

Schaumburg residents should be able to hoist more signs in their yards during future elections, a Schaumburg panel said Monday — Page 3.

#### Farm fight

Negotiations are expected to heat up Tuesday between the would-be developers of the Odum Farm and Hanover Park and Roselle officials — Page 3.

### INSIDE

#### Death ruling

States are free to impose the death penalty for murderers who committed their crimes while age 16 and 17, the Supreme Court ruled — Page 3.

### SHOWCASE

#### China report

Tom Brokaw has returned from Beijing. Ted Koppel is expected to leave there soon. Dan Rather has been back for weeks. Columnist Tom Shales says networks may be more concerned with getting reporters out of China than with getting them in — Section 2, Page 4.

### SUBURBAN LIVING

#### Straight dope

A father asks psychologist Pamela Cantor's advice on how to talk to his children about the dangers of taking drugs — Section 2, Page 5.

# Sears deal: An offer no one could refuse

## Move will mean millions to company and suburbs

By STEVE GORECKI and JOHN SLANIA  
Daily Herald Staff Writers

Sears, Roebuck and Co. said Monday that a powerful combination of generous economic incentives, the opportunity to develop 1,300 acres of prime suburban land and a touch of sentimentality made a move to Hoffman Estates irresistible.

Hoffman Estates, meanwhile, found Sears equally captivating. The retailer's move out of Chicago not only brings Hoffman Estates a newfound stature, it also will bring area suburbs an estimated \$410 million in annual economic benefits.

Sears and the suburb envision a sprawling countryside development that will include a \$220 million campus headquarters for the company's Merchandise Group; on-site day care; major hotels; a village green with a band shell; satellite police, fire and public

works stations; and a transportation network that would include a new tollway interchange, shuttle buses and eventually, a new commuter rail line.

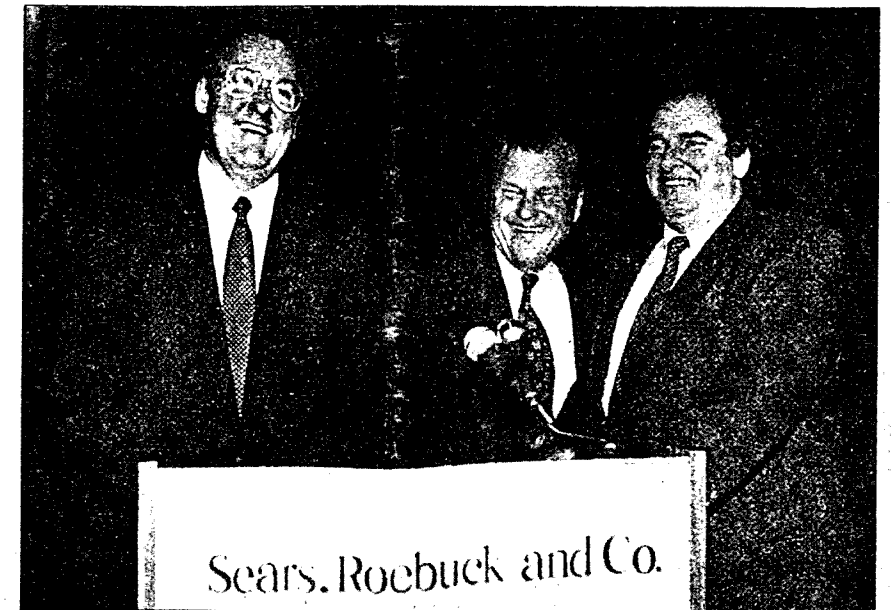
"It means Hoffman Estates is now on the map," a joyful Hoffman Estates Village President Michael J. O'Malley said. "It means Hoffman Estates is no longer just another suburb. Hoffman Estates stands out on its own."

Why Hoffman Estates, and not Chicago or any of the Sunbelt locations that had been mentioned as possible new homes for Sears?

"Many factors were taken into account, both quantitative and qualitative," Sears chairman Edward A. Brennan said in formally announcing the selection of property west of Poplar Creek Music Theatre.

The quantitative factors involved the offer of more than

See SEARS on Page 9



Gov. James R. Thompson, Sears chairman Edward A. Brennan and Hoffman Estates Village President Michael J. O'Malley discuss Sears' move to the suburbs.

Associated Press Photo

## Straight talk helps to seal deal

By STEVE GORECKI  
Daily Herald Staff Writer

One of Sears' lawyers hugged Mike O'Malley. That's when Pete Burchard thought Hoffman Estates had a great shot at luring the giant retailer to town.

The attorney and O'Malley, Hoffman Estates village president, were getting ready for one of the many negotiation sessions that have occurred within the past two months. Childhood friends, the pair had attended DePaul Academy in Chicago together but had not seen each other for 15 years.

Burchard, the village's top administrator, and other officials in the room were pleasantly

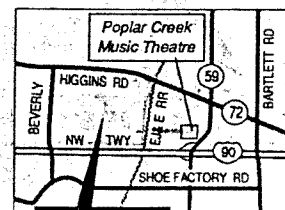
friends with (TV talk show host) Mort Downey, so do you think I was surprised he knew someone from Sears?"

O'Malley's friendship with a Sears lawyer, whom O'Malley would not identify, is just one of several twists to the negotiations that began innocently enough. They started in May, a few days after O'Malley started his first term as village president.

Village officials were visited by representatives from the Illinois Department of Commerce and Community Affairs, including Director Jay Hedges, another face from Hoffman Estates' past. Hedges is a former assistant village manager in Hoffman Es-

### What's planned for the Sears site

- The package covers 786 acres, including Poplar Creek Music Theatre.
- Series of low-rise, campus-style offices for the \$220 million Merchandise Group headquarters.



- Child care facility operated by Sears.
- Full tollway interchange at Route 59.
- Possible commuter rail link from EJ&E Railroad.
- 10-acre village green with bandshell.
- Police and fire station, public works center, water tower.

### THE SEARS MOVE

- \$410 million in economic benefits to suburbs — Page 9
- A closer look at Sears' Merchandise Group — Business
- An editorial: Sears move a coup for suburbs — Page 10
- Constable: Get ready suburbs, the city is coming — Back Page

## THE SEARS MOVE

# DEAL: Hoffman officials rely on straight talk

Continued from Page 1

"At that point we knew we were in competition with many of the greatest markets in the United States," said Burchard, who at 33 is one of the youngest village managers in the Northwest suburbs.

"So we really didn't think Hoffman Estates could necessarily compete. Then we understood that Sears was looking for more land and we knew Hoffman Estates could meet their development needs," Burchard said.

Burchard and village trustees credit O'Malley's straightforward negotiating as helping to bring the deal home to Hoffman Estates.

A week ago Monday, when talks were starting to heat up between the state, Sears and Hoffman Estates, O'Malley met with Hedges, Burchard, Sears lawyers and the Merchandise Group's chairman and chief executive officer, Michael Bozic.

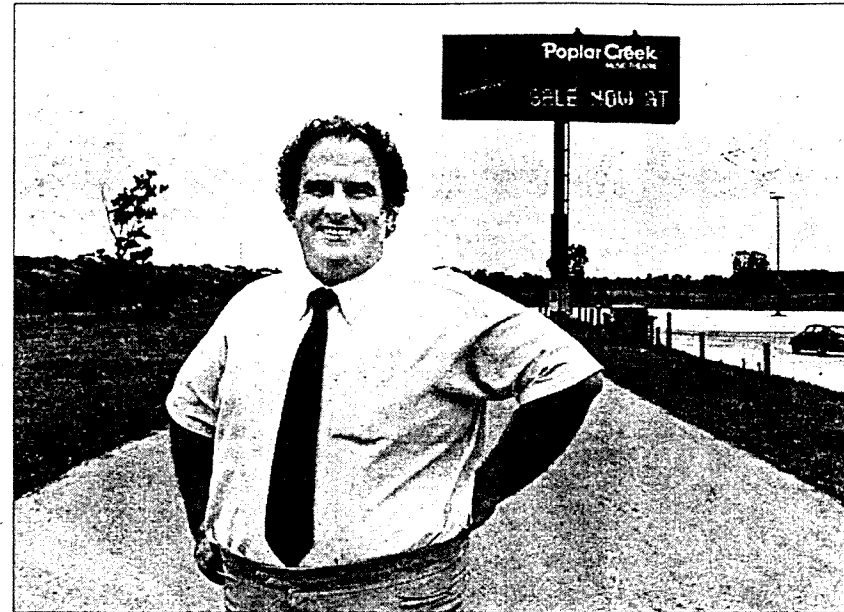
Without skipping a beat, O'Malley told Bozic, "We'd love to have Sears in Hoffman Estates, it would be great for everyone." O'Malley then turned to the lawyers and said, "You guys make it legal." He told Burchard, "You make it work." And O'Malley promised to gain the support of the village board for certain tax breaks for Sears.

O'Malley then turned to Bozic and asked, "Is Hoffman Estates your top choice?" Bozic responded, "It is for me."

Hedges abruptly fell back in his chair and said, "Mayor, I've been trying to get him to say that for three months and you just did it in 10 minutes. I guess I should have been more direct."

But there were unexpected wrinkles in the process. A fear of flying kept O'Malley from joining Burchard, Hedges, Bozic and other officials on a helicopter tour of the Hoffman Estates site in late May. That apprehension appeared well-founded when the helicopter developed engine troubles after flying over the site.

The chopper was forced to make an emergency landing a few miles



Hoffman Estates Village President Michael O'Malley poses on the land that Sears bought.

Daily Herald Photo/Peter Newcomb

from the site, ironically touching down at Sears' Allstate complex in nearby South Barrington.

At about the time of the helicopter incident, Hoffman Estates was emerging as "a real contender, a finalist" in the bid for Sears, Hedges said.

The availability of the huge parcel was an attraction to Sears, Hedges said. A 200-acre site near O'Hare International Airport also was being eyed, but Sears officials feared the smaller site would be less conducive to the open, campus-style office complex they desired, Hedges said.

But some media reports continued to insist the airport site was firmly in the running while Hoffman Estates was being given little chance for the big prize.

Those reports apparently made negotiations simpler between Hoffman Estates, Sears and the state.

"The best thing that happened to

us is that some of you got misdirected," Hedges said. Tipping off prospective land sellers about Sears interest in Hoffman Estates could have caused land prices to soar, Hedges said.

And Hoffman Estates had some unusual allies in the Sears talks, apparently winning the support of neighboring Barrington communities that have bitterly opposed several proposed developments for the site.

But not this time.

"This was the solution to 15 years of bickering over that site," Hedges said. He said state officials contacted Barrington-area leaders to get their feedback on a possible Sears move to the site and all appeared receptive.

Last-minute haggling over legalities about a taxing district threatened to stall the deal Sunday but once again O'Malley stepped in

with his own words of wisdom to push things forward.

As many as 15 state, village and Sears negotiators ended a conference telephone call from several locations when O'Malley inferred that maybe too much technology was getting in the way of progress.

"I said 'Let's get rid of the fax machines, telephones and conference calls,'" O'Malley said. "And they did."

Instead, the negotiators converged on the State of Illinois Building in Chicago late Sunday from points all across the state, including officials attending a Cubs game at Wrigley Field, the Hoffman Estates finance director attending a matinee play at Drury Lane and Burchard from a christening.

And within about six hours the deal was done.

# Political battleground becomes Sears' home

By JOHN CARPENTER  
Daily Herald Staff Writer

It is suddenly the most talked about piece of land in Illinois, the turf that kept the mighty Sears, Roebuck and Co. from taking 6,000 jobs out of state.

But the parcel near the Northwest Tollway long has been both a hot spot for potential development and a municipal battleground.

Grand plans for the property have been debated for more than a decade. Hoffman Estates leaders, looking to tap the land's vast tax-generating potential, have backed three proposals during that time. Barrington-area officials, fighting to preserve their countryside flavor, have fought every step of the way.

First came Poplar Creek Music Theatre. Plans for the 20,000-seat, open-air theater proposed in 1978 by the Nederlander Organization were approved despite vehement objections from the villages of Barrington Hills and South Barrington, who went to court seeking to have the theater demolished.

It wasn't until 1985 — six years after the theater opened — that an out-of-court settlement was reached. Hoffman Estates officials agreed that the 160 acres just west of the theater would be restricted to office and research development, uses in line with plans just announced by Sears.

A less successful, but equally controversial proposal came from landowner Thomas J. Origer, who in the late 1970s planned to build a "town within a town" on 940 acres west of the theater. Known as the Beverly Project, the ill-fated development would have added more than 10,000 residents to the village.

Again, Barrington-area officials formed the opposition, this time winning the battle by keeping the area from hooking into sewer lines that could handle large development.

That dispute — involving a switch from the Barrington sanitary district to Elgin's — was settled only Friday, when the Illinois Environmental Protection Agency approved sewers for the site.

The restriction on sewers also hampered plans for the International Exposition Park, which emerged

## Poplar Creek buy gives Sears control

By STEVE GORECKI  
Daily Herald Staff Writer

The purchase of Poplar Creek Music Theatre by Sears, Roebuck and Co. in conjunction with its relocation to Hoffman Estates is seen by some as a way the giant retailer can have a long-term grip on who its new neighbors will be.

Included the giant retailer's purchase of 786 acres is the 220-acre theater property. The music theater itself sits on about 100 acres of the property, now owned by the Nederlander Organization, which owns and operates theaters throughout the United States, Canada and Great Britain.

Under an agreement between Sears and the current owners, Nederlander will lease back Poplar Creek from Sears and continue to operate and manage the outdoor music venue as it has over the past decade.

And though there is no indication Poplar Creek plans to do otherwise, village sources speculated that purchase of the theater was the best way to control how it is used should the Nederlander group stop running it.

Poplar Creek General Manager Lou Raizin said the sale will "without a doubt" make it less expensive for Nederlander to operate the theater. But he would not elaborate.

In 1984 in the wake of the Beverly Project's failure to garner approval.

Unveiled in 1984, the grandiose project was heatedly debated. But it never got much further than the talking stage. It was officially dropped seven months after Origer's death.

Said Michael J. O'Malley, then a trustee, now Hoffman Estates village president, "It would have been great to broaden the tax base of Hoffman Estates. But it is also a choice piece of land and I'm sure something will go there."

Twenty-two months later, something has.

# Sears move to pay off for suburbs

BY JOHN SLANIA  
Daily Herald Business Editor

When the new Sears, Roebuck and Co. campus is completed in 1993, it is expected to create 7,853 jobs and \$410 million in annual economic benefits for the suburbs, according to an analysis by the Illinois Department of Commerce and Community Affairs.

While Sears now employs 6,000 people in its Merchandise Group at Sears Tower, the DCCA analysis estimates that about 5,400 workers will relocate in Hoffman Estates.

"We expect some attrition because of the fairly complicated and difficult public transportation system," said DCCA research economist Wally Biermann.

But the presence of Sears is expected to create more than 2,400 spin-off jobs, positions created by the demand for suppliers, new restaurants, hotels and other services.

The state is providing Sears with more than \$61 million in grants and incentives, but that money is expected to be recouped within five years through property taxes generated by the development, Biermann said.

Sears will pay \$11.6 million in property, sales and other taxes in the first year of construction, and by the time the project is completed, the grants will be repaid, Biermann said.

For local governments, the creation of a tax-increment financing district will limit the share of property taxes to little more than \$2 million each of the first five years and more than \$3 million for the following 15 years.

But after special zoning provision expires in 20 years, the reward is a

## What the move will mean

- 5,400 jobs at Sears.
- 2,453 outside jobs to serve the complex and Sears' employees.
- \$410 million in annual economic benefits to the suburban area.
- \$25.8 million in annual tax revenue to the state.
- Minimum of \$2 million in property tax revenue to local governments.

Source: Illinois Department of Commerce and Community Affairs

Daily Herald Graphic

full tax assessment on the headquarters facility and any other development Sears has in place.

"We expect several million dollars in new revenues from property taxes, sales taxes and other development fees, plus \$33 million in improvements such as roads, sewers. It will be substantial," said Village Manager Peter T. Burchard.

The result of the new pool of workers will be a \$410 million influx of new money into the local economy, with new salaries generating sales at retail stores, restaurants and entertainment facilities, the DCCA analysis says.

The Sears move is expected to have a limited effect on the local housing market because workers in the Merchandise Group already live

"We expect several million dollars in new revenues from property taxes, sales taxes and other development fees, plus \$33 million in improvements such as roads, sewers. It will be substantial."

— Hoffman Estates Village Manager Peter T. Burchard

in the Chicago area, Biermann said. "There will be a little movement, but not as much as if a new business was moving from outside the state," he said.

The Merchandise Group headquarters also establishes a new western boarder for the suburbs, serving as a link on the Northwest Tollway between Elgin and O'Hare International Airport, said Laura Davis, executive director of the Northwest Suburban Association of Commerce and Industry.

"It creates an anchor at the western end," Davis said. "This will continue to spark development west into places like Bartlett and Hanover Park and on to Elgin."

Despite all the excitement, Biermann warns that a large development can sometimes cause a community to expect too much.

"The typical response to a large project is likely to be an overestimation," Biermann said. "Generally, large projects don't have as great an impact as expected. The euphoria takes over for the first couple of years."

Officials in North Carolina, which had competed for the project, were less than euphoric about losing out to Hoffman Estates, a town that left some members of the national media searching for clues about the community.

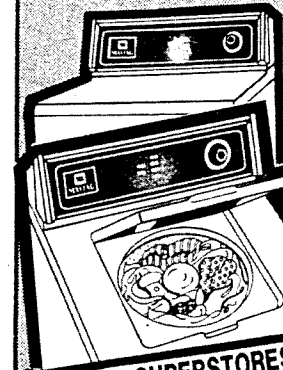
"People used to talk about Hoffman Estates being a place outside of Schaumburg," O'Malley said. "I don't think they'll say that anymore."

Though offering \$40 million worth of new roads and other improvements, North Carolina Gov. Jim Martin said he did not want to get into "a bidding war" with Hoffman Estates.

"We didn't say North Carolina was going to give away the store to get the store," said Martin.

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## The incentive package

### \$180 million in local incentives:

- At least \$9 million in property tax annually for 20 years.

### \$61.1 million in state incentives:

- \$30.7 million for site preparation (streets, parking, sewers, lighting).
- \$2.3 million for sewer service extension from Elgin Sanitary District.
- \$1.1 million for an industrial training grant.
- \$1 million in a 20-year interest-free loan to open a day-care for Sears employees.
- \$9 million for new Northwest Tollway interchange at Route 59.
- \$6 million to widen Higgins Road to four lanes.
- \$5 million to widen Illinois Route 59.
- \$4 million in sales tax exemptions for construction materials.
- \$1 million in investment tax credits based on building and equipment costs.
- \$1 million in utility tax exemptions (for up to 10 years).

Source: Village of Hoffman Estates, Ill. Department of Commerce and Community Affairs

## THE SEARS MOVE

## SEARS: Retailer set to move to Hoffman

Continued from Page 1

\$61.1 million in state grants and incentives and at least \$180 million in local property tax breaks over 20 years, according to an economic package fashioned by state and local officials.

The qualitative factors included Sears' ability to build a sprawling, campus-style facility on a large tract and deep roots in the Chicago area that date back 102 years.

"We believe this Chicagoland location will serve the best interests of our company and its shareholders for decades to come," Brennan said. "The Hoffman Estates site represents an excellent fit with our criteria."

Most suburban leaders were ecstatic.

"This is super news," Hoffman Estates Trustee William D. McLeod declared. "It's going to be great for the entire area, a great boon to the economy."

State Rep. James Kirkland, an Elgin Republican, said Sears was coming to the "hottest piece of property" in his district. "And this serves the interests of all the people in the district," Kirkland said.

Sears ended seven months of searching for a new headquarters for its Merchandise Group by saying it ruled out 50 other potential sites in favor of 786 acres north of the Northwest Tollway at Route 59. Estimates of the cost of the land are about \$130,680 per acre, or about \$102.7 million for the entire parcel.

Sears said it will use about 200 acres for the headquarters and an on-site child-care center, while the remaining 586 acres will be used for other development.

The property includes 100 acres housing Poplar Creek Music Theatre that Sears will lease back to The Nederlander Organization. Nederlander, which built Poplar Creek in 1979, will continue to operate the facility.

Sears also said it has options to purchase more than 500 acres nearby, giving ultimate control of about 1,300 acres.

"There's probably enough land out there to ensure continuous development for 25 years," Brennan said.

Sears said it would build a low-rise, campus-style office complex and a child-care center, which it expects to complete by 1993. The nation's largest retailer would not detail its plans for the remaining land, but Hoffman Estates Village Manager Peter T. Burchard said several major hotels were planned.

To take workers to the site, the state of Illinois plans to spend \$20 million for road improvements, including \$9 million to complete a full interchange at the Northwest Tollway and Route 59; and \$11 million to widen sections of Higgins Road and Route 59.

Pace, the suburban bus service, will shuttle workers from nearby rail stations in Barrington and Roselle, but long-range plans call for a commuter rail line to the property, said Jay Hedges, director of the Illinois Department of Commerce and Community Affairs.

The emergence of Hoffman Estates as the prime candidate for the new headquarters was revealed Saturday by the Daily Herald. The final package of incentives and tax breaks

was put together late Sunday by Hedges and Gov. James R. Thompson to persuade Sears executives that the suburban site was competitive with offers from outside the state.

In all, the incentive package totaling at least \$241.1 million is the largest in Illinois history.

"We had to put together this kind of package to achieve the kind of parity with other states," Hedges said.

Officials in North Carolina had offered about \$40 million worth of incentives in their unsuccessful attempt to lure Sears to Charlotte or Raleigh.

"As much as we'd have liked to have them here we were not going to go into an unlimited bidding war," North Carolina Gov. Jim Martin said Monday. "We didn't say North Carolina was going to give away the store to get the store."

Illinois' incentives include a \$33 million grant to build streets, park-

ing lots, sewer lines and lighting; \$20 million in highway improvements; \$1.1 million for training and a \$1 million interest-free loan to build a child-care center.

The state also promised that legislation would be passed in Springfield to create an enterprise zone and a tax-increment financing district, measures that would give Sears at least \$180 million in local property tax breaks over 20 years.

While the Merchandise Group headquarters is expected to generate \$11 million annually in property taxes when completed in 1993, local governments will share only about \$2 million annually the first five years and little more than \$3 million annually the next 15 years.

But the alternative, Burchard said, was to continue to receive the \$100,000 to \$150,000 a year in property taxes from the vacant land and risk losing Sears.

"Without the tax breaks," he said, "the deal would have been killed."

The Merchandise Group, which currently runs Sears' retail operation out of the Sears Tower in Chicago's Loop, employs about 6,000 people; that work force is expected to be reduced to about 5,400 by the time the headquarters arrive in the suburbs.

The availability of the extra land in Hoffman Estates sweetened the deal for Sears, which was able to secure space for future development while securing options on nearby parcels.

The deal not only gave Sears control over 1,300 acres, but gave it lucrative rights to develop prime land along the Northwest Tollway.

"The state is not in the business of subsidizing the acquisition of land," Thompson said. "But the deal doesn't get done with Sears unless they develop the land."

Also contributing to this report was Dave Urbanek of the Daily Herald's Springfield bureau.

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Yearly \_\_\_\_\_

**BY ANNE BURRIS GASIOR**  
Daily Herald Staff Writer

But wider roads and new highway interchanges will not be enough to make commuting easy for Sears' clerical employees who now take the subway or other public transportation to the Sears Tower in the Loop.

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Tuesday, June 27, 1989

The Carnegie report veers close to the social worker's approach to education, adding burdens to teachers and that they are not prepared to assume and that would require more special training in psychology than in the subject they teach. The authors also want to eliminate tracking, which separates children according to their competencies. Without tracking, the brightest kids tend to leave public schools for private schools.

But the report is right to stress the need to shrink the dimensions of the middle school by creating smaller communities of learning. Modern youngsters are forced to grow up too quickly, exposed to sex and violence on the television screen and in their already lives, before they have time to enjoy the wonder of the world around them.

They're entitled to a little extra attention and care as they begin to put those painfully earned en-

While some of the Carnegie ideas are utopian, given the economic and social circumstances in big city schools, most rest on common sense, the reality that the world these young people are thrust into is alien and lonely. As they begin to put away childish things they become subject to the worst kinds of adolescent pressure.

In a recent episode of "The Wonder Years," ABC's popular sitcom set in the late '60s, Kevin, an indoor 13-year-old, is picked on by the school bully. Out of nowhere a teacher sees what is happening and comes to the rescue. The teacher is not around the second time Kevin is attacked, and he winds up with a bloody nose.

In the late '80s there's rarely a teacher around to stop a bully even at the first close encounter, and besides the bullies have multiplied. Everygirl and Everyboy must try to escape the pushers, the dopers, the drinkers, some of whom carry knives and even guns. Up-to-date

Daily Briefing summarizes community news weekdays in the **Daily Herald**

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Section 1/Nov 2 9



## Sears' move just part of the plan

By JAMES KANE  
Daily Herald Business Writer

Sears, Roebuck and Co. may be keeping its corporate headquarters in Chicago, but the heart of its empire — its Merchandise Group — is going to Hoffman Estates.

The Sears Merchandise Group accounted for 60 percent of the \$50.2 billion in revenue the company pulled in 1988. But that beleaguered retailing operation only contributed 35 percent of Sears' \$1.45 billion profit last year.

The move to Hoffman Estates is part of a massive restructuring of Sears' retail operations to make them more competitive with the discount and specialty store operations that have been eating into the market share and profits of Sears, the world's largest retailer.

The merchandise group is the 103-year-old retailer that gave birth to the corporate parent when Sears expanded its financial services to include the Dean Witter investment firm, Coldwell Banker real estate sales and the Discover charge card in addition to Allstate Insurance, said Kathy Guca, a Sears spokesman. The chairman and chief executive officer of the merchandise group is

Barrington resident Michael Bozic.

The merchandise group includes: Sears department stores; its catalog and direct marketing operations; the widely held Sears credit card; its specialty shops such as McKids stores, paint and hardware stores and auto centers; and product services, which includes 850 service facilities employing nearly 19,000 technicians. The merchandise group has 300,000 employees.

"It's a far-flung company," Guca said.

Sears currently has 6,000 employees in its merchandise group headquarters, split about equally between clerical and management positions, Guca said.

How many jobs will exist in a couple of years, when the new merchandise headquarters is completed and the move is made, is unclear because of the company is streamlining its operations and also doesn't know how many employees will be willing to move, Guca said.

The biggest single component of the headquarters staff is the merchandise buying operation, which deals with 10,000 suppliers acquiring merchandise for Sears stores and catalog operations, Guca said. "It's a huge buying organization," she said.

### Sears Merchandise Group

#### IN ILLINOIS

Merchandise purchases: \$1 billion  
Merchandise suppliers: 606  
Employees: 28,652  
Retail stores: 37  
Total facilities: 261

#### NATIONALLY

1988 Revenues: \$30.2 billion  
1988 net income: \$524 million  
Department stores: 824  
Total stores: 1,649



Michael Bozic,  
Chairman and CEO,  
Sears Merchandise  
Group

Daily Herald Graphic

Other major functions of the headquarters staff include preparing and placing of Sears television and print advertising, handling Sears real estate, and providing architectural and facilities planning services to Sears stores and distribution centers, Guca said.

Company officials said they wanted a suburban office campus because they believe a horizontal layout will improve communication over what is available with the vertical layout of Sears Tower, and because of the pleasant surroundings it would provide for workers, she said.

Some analysts and observers

have criticized Sears, saying the giant organization was too sluggish in responding to changes in the retail environment. They cited an unwieldy bureaucracy and a high cost structure as making it difficult to compete with the specialty stores that offer a glitzy retailing environment and the discounters that offer low prices.

In the past couple of years, however, Sears has taken a variety of steps to become more competitive.

And in recent months, Sears has changed its merchandising

See SEARS on Page 2

## Community leaders seeing dollar signs

By JOAN FLEISCHER  
Daily Herald Business Writer

The news of retail giant Sears, Roebuck and Co. relocating its merchandising group to Hoffman Estates had community and business leaders Monday calculating the economic impact to the Northwest suburbs — that some estimate at \$410 million a year.

"Clearly, the entire region here will benefit greatly by having such a facility," said William G. Grams, executive director of the Northwest Municipal Conference. "There are the benefits to the real estate market with employees relocating to the area and, with that, a second level of economy as those employees buy services and shop in the area."

"Think of all those people with disposable cash," Grams said. "The village of Hoffman Estates and adjacent communities will benefit. The real upside is that Northwest suburban Cook County is seen by many companies as a good place to be."

Sears joins the ranks of several corporate giants recently relocating to Hoffman Estates including A.G. Siemens and Ameritech.

It's difficult to put an exact price tag on, but state officials at the announcement of Sears' decision to move its Merchandise Group from the Sears Tower to a site along I-90 projected the annual economic boom to the area at more than \$400 million. A portion of that money will go to the service industries that will supply products and services to the

### THE SEARS MOVE

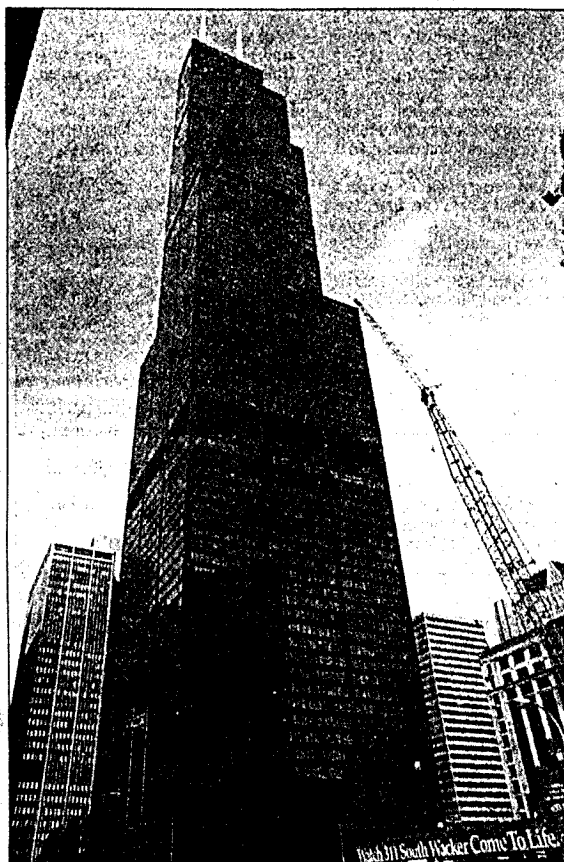
company, and new residents to the suburbs. In addition to looking for new homes, the Sears employees can be expected to spend money at area hotels, restaurants, retail stores and recreational activities.

And with every dollar spent in hotels, restaurants and stores, there is a spinoff effect as that new money helps create new jobs and expand area businesses, said Thomas S. Rivera, president of the Greater Woodfield Convention and Visitors Bureau. Rivera said the addition of Sears to the region "really completes the cycle of the American city."

"I think it's really exciting that Sears is locating in the Golden Corridor," said Kathleen Gilmer, economic development specialist at Harper College. "The presence of Sears adds to the area's prestige and visibility. Of course, it brings challenges in transportation, housing and employee training. However, the Northwest suburbs have a good track record in addressing those issues."

But despite the positive windfall to the local economy and local governmental bodies including schools and libraries, some village officials are concerned about selling out the quality of life in the quiet suburbs.

"What may be good for Sears may not be very good at all for the Barrington area neighbors," said Donald Klein, executive director of the Barrington Area



Sears' merchandise unit will leave Sears Tower for new offices in Hoffman Estates.

Daily Herald Photo/Rich Chapman

Council of Governments. "We have to look at what it really does to the quality of life. We get the impact, they get the revenue."

Yet even those wary of growth and suburban sprawl are optimistic about Sears moving in to the

neighborhood.

"I look upon it positively," said Barrington Hills Village Trustee Alexander MacArthur. "Sears is a first-class business. It might attract other quality development and prevent schlock out there."



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The Voice  
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Wednesday, June 28, 1989

# The Sears deal:

**BY WILSON MEDINA**  
Staff Writer

In selecting Hoffman Estates as its new home, Sears, Roebuck & Co. not only got the land and tax breaks it wanted, it gave the village an added prestige that most local officials say will rub off on the whole northwest suburban area.

"The quality of life in Hoffman Estates will be much better with Sears. Sears is a wonderful addition to Hoffman Estates," an elated Village President Michael O'Malley said Monday.

"Obviously, we are pleased that Sears had decided to stay," said William Grams, executive director of the Northwest Municipal Conference. "We are pleased the we have economic

25 cents per copy/\$1.50 monthly

## What's the cost?

development continuing to occur in the region."

But at what cost? Critics contend that state and village officials gave the store away trying to keep Sears and an estimated 6,000 jobs in Illinois. Supporters counter that it's better to give a store away than the whole chain.

"What if they leave?" said Village Manager Peter Burchard. "How can you calculate the im-

pact on all the people affected? Every cent that the state of Illinois put into (the deal), they would lose five times over if they didn't keep Sears."

According to Burchard, the clincher in all the negotiations was the village's agreement to declare the Sears property a Tax Increment Area. Under the 20-year proposal, 80 percent of the property taxes generated by the

800-acre development will go into a special fund to retire tax-exempt bonds sold by Hoffman Estates to acquire the site. The other 20 percent of the property taxes will go to schools, local government and Cook County taxing bodies.

If the taxing zone is approved by the General Assembly, it will

See Sears, page 3

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June 28

## Schaumburg/Hoffman Estates news

### Sears

Continued from page 1

save Sears an estimated \$178 million in property taxes.

"Currently, (the 200 acres Sears will build on) generates \$150,000 a year in revenues to taxing bodies," Burchard said. "The first year that property is developed, they will receive \$2 million. For the 20-year life of the Tax Increment District, the taxing bodies will receive \$67 million."

Sears will use 200 acres of the site to build its Merchandise Group corporate headquarters. The remaining 600 acres will be developed for other businesses.

"The project, in effect, pays for itself," Burchard said. "The money that would be contributed to taxes would go to write off the cost of the land."

Burchard said there were no figures available to calculate how much the village would gain once the other 600 acres is developed.

Another bonus for the village and

its neighbors has been the agreement by state officials to pour \$61 million into the area to improve roads and sewer capacity. For years Hoffman Estates has been trying to get that done, but to no avail.

"If Sears wouldn't have come in, these things would never happen," Burchard said. "It takes a name like Sears to do that."

The state's plan includes money for an eastbound interchange for the Northwest Tollway at Route 59; widening Higgins Road to four lanes from Beverly Road to the north boundary of the Sears property; and widening Route 59 from Shoe Factory Road to Higgins.

Thomas Koenig, Schaumburg's director of planning, was skeptical the state's road improvements would be enough.

"We're very happy for Hoffman Estates," Koenig said. "It will help create additional jobs that will likely be attractive to the northwest suburbs. Our concerns would be what types of road improvements would the state be planning to accommodate the additional developments."

"If the state has some money to induce Sears (to stay) for a new

headquarters, than they should have money for road improvements for other businesses."

Koenig said he believes Higgins Road and other major arteries will need more lanes.

Bob Verbic, president of the Northwest Suburban Board of Realtors said the Sears move "is just a real plum" for Chicago and the northwest suburbs, not just for Hoffman Estates.

Verbic said the total marketplace will be strengthened by the presence of a major headquarters like Sears. "It means a lot to the service industries — gas stations, restaurants, cleaners. People do a lot of shopping locally where they work. There's a lot of commerce with the headquarters of a major corporation."

Thomas Rivera, executive director of the Greater Woodfield Convention and Visitors Bureau said the new development will mean new customers for the hotel business.

"Hotels and restaurants would benefit enormously," he said. "We know a campus of that size generates an awful lot of meetings, training sessions and out of town over nights. I would anticipate the hotel business would do extremely well."

Which is good news for the pro-

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# Spotlight shines on Hoffman Estates

**BY WILSON MEDINA**  
Staff Writer

Hoffman Estates earned a spot on the national map Monday when Gov. James R. Thompson and Sears, Roebuck & Co., officials unveiled a \$61 million incentive package that wooed the merchandising giant to the village.

"We are very pleased to announce the selection of Hoffman Estates in suburban Cook County as the future home of our Merchandise Headquarters," said Edward Brennan, chairman and chief executive officer of the company at a press conference held in the soon-to-be abandoned Sears Tower.

"We believe this Chicagoland location will serve the best interests of our company and its shareholders for decades to come. We anticipate that the move to the new facility will begin in 2½ to 3 years."

Sears, the nation's largest retailer, will move its Merchandise Group to a 800-acre site adjacent to the Northwest Tollway west of Route 59. Hoffman Estates beat out Chicago and three other states competing in high-finance sweepstakes to lure the company to their area.

Thompson, choosing his words carefully, wanted to reassure all Illinois residents that a \$61 million state incentive package would not only benefit Sears, but continue to foster economic growth for Illinois.

The state will donate \$30 million to improve private streets and build parking facilities, sewers and lighting; \$20 million for the construction of an eastbound access ramp onto the Northwest Tollway from Route 59 and wid-

en Higgins Road to four lanes from Beverly Road to the EJ & E Railroad Bridge; \$2.3 million to finance the 20,200-foot extension of a sewer line from the Elgin Sanitary District; and \$1 million for a day car facility.

"In my mind Sears and Chicagoland have always been synonymous and will always be," Thompson said. "While this Merchandise Group moves to Hoffman Estates, it's all Chicagoland. The decision of Sears to stay says an awful lot about the business community in the state and in this area."

It also says that Hoffman Estates was able to do two things that other candidates could not: offer the amount of land Sears wanted and create a Tax Increment Area so Sears could receive huge tax breaks. Those points were not lost to Chicago Mayor Richard Daley.

"Of course we're disappointed, but at least they are staying in the Chicago area so the economic impact will be lessened," Daley said. "What Hoffman Estates had to offer that Chicago didn't is over 800 acres of land."

Without the willingness of Hoffman Estates officials to create a new tax zone, Thompson said the deal would have been in jeopardy. Under the plan, the village will allow Sears to acquire the land with its own property tax payments. To that end, the state legislature must also change the state's tax increment-financing laws to allow Sears that privilege.

"The deal doesn't work for Sears without the land," Thompson said. "(Village President) Mike O'Malley took on a big challenge, but he's a man not afraid to move ahead boldly."

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Daily Herald  
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# Sears tax breaks 'a necessary evil': Madigan

BY DAVE URBANEK  
of our Springfield bureau

SPRINGFIELD — Illinois House Speaker Michael J. Madigan Tuesday described the lucrative incentive package being offered to keep Sears, Roebuck and Co. in Illinois as "a necessary evil."

But Madigan made clear that he is annoyed that the state and Hoffman Estates will end up providing millions of dollars in incentives to enable the company to build an office campus for its Merchandise Group on 786 acres along the Northwest Tollway.

Legislators still are expected to easily pass a bill by the end of

the week to provide at least \$180 million in property tax breaks to Sears over a 20-year period. That bill is in addition to another package of \$61.1 million in state incentives that already have been approved.

"I'm not opposed to it, but I think it's fair to say I don't like it," Madigan said. "It's a necessary evil. I don't think anybody here likes it."

Madigan said in his estimation, Illinois is being forced to pay for Sears' corporate mistakes in the marketplace, mistakes that have hurt their competitive edge with other retailers such as K mart and Venture.

"We're not responsible for

that," Madigan said. "Yet, because of those decisions, because of their falling behind competitively, they have come to the state and said that the state should spend \$175 million so we could build a new building in a nice location and sell the old building for a billion dollars."

Representatives of Sears and Hoffman Estates met with legislators in Springfield Tuesday to discuss the incentive package.

Following the meeting, Douglas R. Ellsworth, director of finance for the village, said legislators asked many questions about the deal.

"I don't think we'll have any problems satisfying the requests

of legislators," Ellsworth said. "Our understanding is that there is a lot of support for this bill."

James Buresh, manager of taxation for Sears, declined to comment on the meeting.

The Sears proposal, which will be voted on before the end of the week in both chambers, would create a special type of "tax increment financing" district that would give Sears a break on property taxes at the site, west of the Poplar Creek Music Theater on the tollway.

Ellsworth said the new district will offer Sears the same property tax breaks found in TIF districts for economically-depressed areas.

# Sears left O'Hare site in spotlight

By Merrill Goozner

City economic development officials will meet Wednesday to discuss how to find another developer for the O'Hare International Airport site rejected by Sears, Roebuck & Co.

City officials say developers are flooding City Hall with calls expressing interest in the 220-acre site on the north side of the airport after what amounted to months of free advertising about its potential for office and commercial development.

"One of the hottest things on our agenda is what to do to follow up on O'Hare," said David Mosena, city planning commissioner.

In eight months of negotiations with Sears, the city's options for keeping the 6,000-employee Merchandise Group, now destined for northwest suburban Hoffman Estates, were reduced to vacant land at the airport. The giant retailer said it wanted a suburban-style office park for its staff.

Though Sears rejected the city's only alternative that met the criteria, the wooing process served to educate city officials about the economic development potential of its vacant airport land.

Development of vacant acreage at O'Hare has not been a high priority in previous administrations at City Hall, though it represents the best opportunity outside of downtown for attracting major commercial, retail and industrial projects, that will generate new jobs and tax revenue for the city.

More than 1,000 vacant acres surround the world's busiest airport. Besides the plot offered Sears south of the Northwest Tollway between Wolf Road and Lee Street, there are substantial vacant tracts on the west and south sides of O'Hare.

Developers who have built hotels and office complexes in the suburbs around the airport are eager to see what the city will propose for the northern site now that Sears has opted to go elsewhere.

"There are a lot of people out there trying to figure out how to get their hands on that piece of property," said one developer.

However, the site has problems that would have been solved with the state's incentive package to Sears. The site needs about \$16 million in roadway improvements, including the extension of Higgins Road to Lee and the upgrading of Wolf and Touhy Avenue.

"We'd like to see the state do it without a tenant," said one city official.

The city also will not receive the \$33 million the state earmarked for site improvements for Sears. However, changes in the state's tax increment fi-

See O'Hare, pg. 5

(Indicate page, name of newspaper, city and state.) *p. 1 sec. 3 Chicago Tribune*

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Edition:

# O'Hare

Continued from page 1

nancing statute designed to allow Sears to be subsidized at vacant land in a suburb may give the city a way to finance infrastructure improvements at the site.

In the Sears negotiations, city officials developed detailed projections on what could happen on the 220-acre airport site.

"We think we can get 4.5 million square feet of office space on that property," said Ronald Gidwitz, chairman of the Economic Development Commission. "We think it is worth \$90 million at present value or could generate lease payments of \$9 million to \$10 million a year."

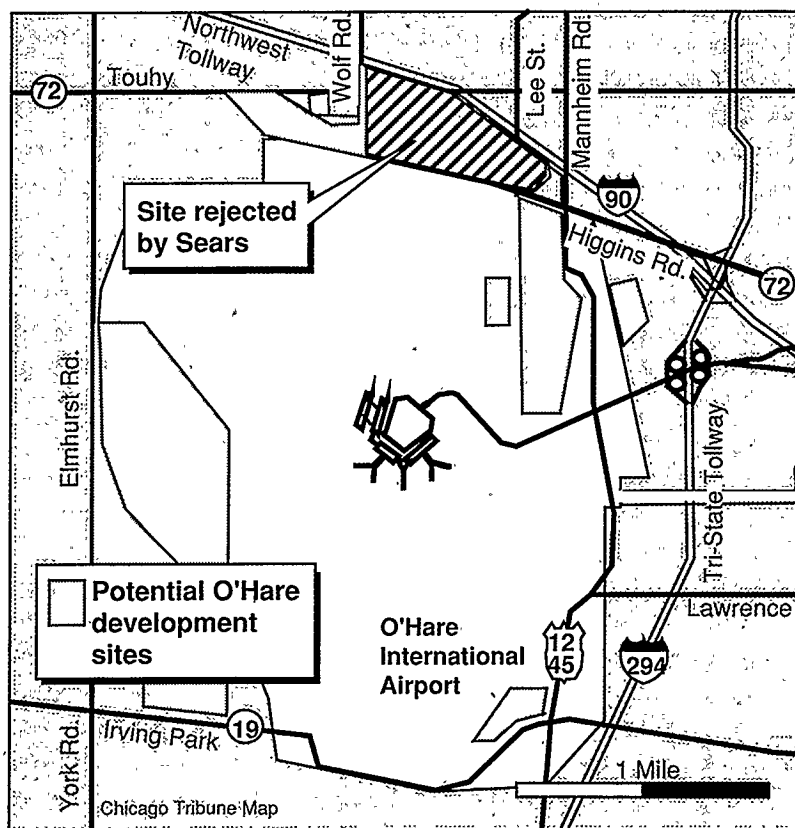
Any revenue the city gains from leasing the land, which was bought in the late 1950s with money from the Federal Aviation Administration and has to stay in city hands, will be split with the airlines operating at O'Hare. The airlines, which face an increase in their landing fees because of shortfalls in the city budget, are eager to see the city proceed.

"That sort of development would certainly help with the financial problems at the airport," said Tom Stack, a spokesman for American Airlines.

The city had offered Sears 80 acres essentially free and was urged to make the entire site available to Sears on the same terms.

"We weren't going to give up the land for free," said Gidwitz. "We weren't going to give up that revenue."

But it remains to be seen



whether the Daley administration can overcome the bureaucratic inertia that has stymied development at O'Hare for years.

"We'll put out a request for proposals," said Mosena. However, he wouldn't say when.

"We haven't clarified a policy for the use of that land," he said. "I suspect we'll give some guidance to what we want to see there."

Lengthy debates have hamstrung the city's land development process in the past. It could happen again.

"The site should be used for a big idea that strengthens the airport and supports the airline industry," said John Drummond, a former deputy aviation commissioner who now is a consultant to the airlines at O'Hare.

He also is codeveloper of a \$65 million office and light-industrial project on the southeast corner of the airport, the only project slated for vacant airport land.

"I'd like to see an office complex there," said Gidwitz.

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(Indicate page, name of newspaper, city and state.)

P. 1 Chicago Tribune

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# Poplar Creek's future with Sears in question

By David Ibata

Sears, Roebuck & Co. insisted on acquiring the Poplar Creek Music Theatre as part of its taxpayer-subsidized move to suburban Hoffman Estates, an official of the theater said Tuesday.

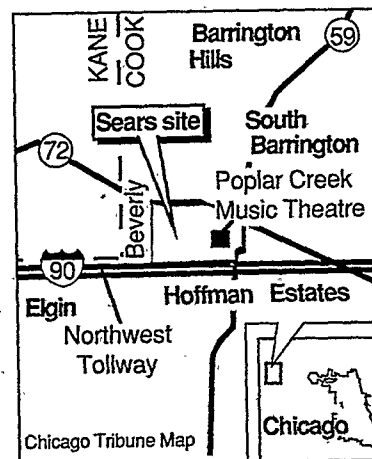
Though Sears officials said they planned to have the Nederlander Organization continue to operate the popular outdoor concert center for several years, its inclusion in the development deal raised questions about the theater's long-term future.

"Sears took the position that if Nederlander some day decided to leave, [Sears] had to control the property abutting their development," said Louis Raizin, general manager of the theater.

"It was important to purchase the entire site, because it gave us a whole parcel that would be easier to develop over the next several years," said Kathy Gucfa, a spokeswoman for Sears. "Eventual development of that [theater] site is possible, but it's not in our plan for anytime soon," she said.

As part of the deal to keep Sears' 6,000-member Merchandise Group in Illinois after it leaves Sears Tower in the early 1990s, state economic development officials and Hoffman Estates leaders agreed to help finance the retailer's acquisition of 786 acres along the north side of the Northwest Tollway between Ill. Hwy. 59 and Beverly Road.

These included Nederlander's



221 acres, of which 68 acres is Poplar Creek, a summertime spot for rock concerts, pop music and other light entertainment that draws its audience from throughout the Chicago area.

Nederlander will continue operating the theater under a sales-lease back arrangement. The New York-based entertainment

See Sears, pg. 16

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# Sears

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firm still is negotiating the lease. Asked whether any program changes were planned under the new owner, Raizin replied, "Absolutely not."

Poplar Creek collected \$10.7 million in paid admissions last year, Hoffman Estates officials said. But a suburban real estate executive estimated that an office building on the site could collect gross rents of up to \$25 million a year.

This assumes a fully leased building of 1.1 million square feet, said William Bornhoff, vice president of Metropolitan Life Real Estate Investments, Oak Brook.

This would be the largest building allowed on the theater's 68 acres under the density restrictions agreed to by Nederlander in a 1985 settlement with Barrington Hills and South Barrington officials. The settlement ended a seven-year lawsuit in which the two suburbs sought to shut down the theater, charging that it worsened traffic and noise in the area.

"The highest and best use of this property is not a theater," Bornhoff said. But he added that it would be unwise to try replacing it with offices now because the suburban office market is so overbuilt.

A "prudent and logical" approach, he said, would be to start construction at the west end of the nearly 800 acres and work east to the area around the theater.

"Personally, I'd love to see that theater go," said James Kempe, village president of Barrington Hills.

"I don't think it's an appropriate use on this side of the [Northwest] tollway," Kempe said, though he conceded that "Nederlander has done a pretty good job operating the theater.... I hope they continue to have good control over their shows."

Poplar Creek opened in 1980. Its pavilion seats 7,000 and the grassy slopes surrounding it can accommodate up to 18,000 more concert-goers.

The theater employs more than 500 people from late May through late September. This year, it has booked nearly 60 concerts, about a dozen high school graduations and an annual 4th of July sym-

phony concert and free fireworks show.

Sears has a lot of leeway in deciding what to do about Poplar Creek. It will pay nothing up front for the Hoffman Estates land, relying on the proceeds of bonds to be sold by Hoffman Estates.

The retailer will pay off the bonds over the next 20 years, using funds that otherwise would have gone toward paying four-fifths of its property taxes. In addition to the 200 acres for its new Merchandise Group headquarters, Sears also will get almost 600 additional acres of some of the most valuable commercial land in the suburbs.

The Barrington communities have one chance to throw a monkey wrench into the project: They could challenge last week's

decision by the Illinois Environmental Protection Agency to let Sears hook up to the Elgin Sanitary District.

The land is part of Barrington's sanitary district, which lacks the capacity to serve a major development area.

Donald Klein, executive director of the Barrington Area Council of Governments, said that the option of a legal challenge "hasn't been eliminated, [but] I don't think it's going to happen.... We'll get more by negotiating with the specific parties, Hoffman Estates and Sears, than by going to court."

Klein said the prospects of Sears moving in is preferable to some previous plans for the area between Hoffman Estates and the Barrington communities.



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(Indicate page, name of newspaper, city and state.)

*p-3  
Daily Herald  
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## Hoffman to peddle bike path idea to Dunne

By DWAYNE T. WONG  
and STEVE GORECKI  
Daily Herald Staff Writers

Hoffman Estates Village President Michael J. O'Malley plans to meet with Cook County Board President George W. Dunne to push for bicycle paths in forest preserves in the village.

O'Malley said he plans to call Dunne next week to set up the meeting in an attempt to persuade county officials to consider developing a Hoffman Estates bicycle path system similar to those in other county forest preserves, including Ned Brown Forest Preserve in Elk Grove Village and Schaumburg.

The move comes after village

trustees said they do not want to accept increased liability for accidents that may occur on a proposed 8.7-mile, two-way path that would be marked with signs and stripes along existing village roads.

O'Malley, who once worked as a county environmental control inspector and has known Dunne for about 10 years, said he supports the forest preserve bike path plan because it is safer than a street route. He also said if the paths are good for forest preserves in other towns, they should be good for Hoffman Estates too.

"They've done it in other parts of Cook County and 33 percent of Hoffman Estates is forest preserve. And that's something we're

very, very proud of," O'Malley said. "It would give the people who live out here a chance to see the beautiful scenery in those preserves, an opportunity to see what their tax money has bought."

Village officials were told by the forest preserve district that bicycle paths are planned for forest preserve property along Poplar Creek and in the Paul Douglas Forest Preserve but no timetable has been established. The Ned Brown system cost about \$100,000.

Trustee Richard A. Cochran also called for county help for the paths.

"We're paying a lot of money for our forest preserve district, let's spend some of it in the suburbs," he said.

*Daily Herald  
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# Developers react to

25 cents per copy/\$1.50 monthly

# Sears incentives

**BY WILSON MEDINA**  
Staff Writer

While most state and local officials have received applause for keeping Sears, Roebuck & Co. in Illinois, some local real estate developers are grumbling that the state may have gone too far in giving the giant retailer more than 600 acres of free property to

develop.

Under the Hoffman Estates agreement to declare the property a Tax Increment Financing area, 80 percent of the property taxes generated by the development will go into a special fund to retire tax-exempt bonds sold by Hoffman Estates to acquire 600 acres. The other 20 percent of the property taxes will go to schools, local government and

Cook County taxing bodies.

Over the life of the taxing zone, Sears will save an estimated \$178 million in taxes. That's not even including the actual cost of purchasing the land had Sears been required to do so.

According to Robert Smietana, executive vice president of Fifi Development Corp., one of the largest development companies in the area, that land, once

improvements are made, could be worth an estimated \$140 million.

"I think it was admirable for the state to keep the jobs in Illinois," Smietana said. "But I feel I have to question all the additional land (that was donated) for private development. I think it's ridiculous. (The land) has nothing to do with the Sears."

Steven Fifi, president of Fi-

field, said the state may have also set a bad precedent in granting Sears extra land. Other companies eager to get state incentives may howl about leaving only to get a better deal to stay.

"The state is being held for ransom," Fifi said. "If this catches on, the tax base generated by companies is going to be used to give money to the companies."

See Sears, page 2

# Sears

Continued from page 1

More of a burden will be placed on the taxpayers.

But Steven McClure, assistant director of the Department of Commerce and Community Affairs said without the land inducements, Sears could have had a new home because other states were offering free land.

"Sears wanted several hundred acres. That's why it was necessary," McClure said. "I do not personally believe this deal would have come together if they don't obtain additional acreage."

McClure also said that before other companies can qualify for similar deals, the companies must employ 2,000 employees and invest more than \$100 million in the state. The state legislature is expected to change the property-tax abatement laws to include those items.

Meanwhile, Smietana said the 600 acres of land not only gives Sears an unfair advantage over other developers, but it offsets the costs of the company's own campus-style headquarters. Other major corpora-

tions who recently received approval to build in the village won't be that lucky.

Ameritech Corp., which employs 3,000 employees, recently received approval by the village to build a 1.3 million square foot headquarters. To date, Ameritech has paid \$23,000 in a fund designed to finalize a concept plan for the area. Once impact fees are determined, Ameritech will also have to pay those.

The state has issued a 10 year, \$2.1 million low-interest loan for infrastructure improvements and a \$1.25 million grant for a job training program to Ameritech.

"(The Sears deal) is similar in that we are talking about the same area. It's different though because Sears could have gone anywhere," said Steven Ford, media relations manager for Ameritech. "We chose to stay because we are headquartered in the Midwest. The state (wanted) to keep Sears in Illinois. That wasn't an issue with us."

Regardless of what the future holds for the state, in terms of dealing with other companies itching for incentives, Smietana said the deal is a boon for Hoffman Estates.

## Community news

# O'Malley, Sears settle in to village

BY WILSON MEDINA  
Staff Writer

Six weeks ago, Michael O'Malley was just another village president taking the reigns of a suburb called Hoffman Estates. Today, nine days after the village landed Sears, Roebuck & Co. as its newest corporate resident, few in the Chicago area haven't heard of him or the village.

"I felt from day one that Hoffman Estates had a good chance because of the way the (area) is spread out," O'Malley said.

He looks tired, but happy. The last few days have been an endless procession of interviews. The fact that Sears had decided to stay in Illinois made national news. Even the New York Times called for comments.

"For this thing to work, it had to be good for the state, Sears and Hoffman Estates," O'Malley said. "The only way this thing could work was if all those things came into effect. It will increase the tax base, increase the value of homes. It brought us roadwork that would not have been done if it wasn't for Sears."

But O'Malley wants to reassure residents that Sears won't barge into the village and just start build-

ing anytime soon. Extensive studies still have to be conducted to determine what impact the campus-style development will have on the community three years from now, when Sears is scheduled to begin building a new landmark totally opposite of the Sears Tower.

"A lot of people think they are going to wake up tomorrow and find 6,000 (new) people driving down Higgins Road," he said. "There is going to be a great deal of planning. The traffic is the number one thing that people are thinking about. Sears wants to make this so traffic will have the least amount of impact."

"They are going to try and keep land in its natural state. It's not going to be a concrete jungle. If you look at the fields, there are different shades of green. It's a gorgeous area."

For a man who loves the village, O'Malley was surprised that more people, specifically reporters, didn't know of Hoffman Estates.

"There was one reporter in particular who apparently never went west of O'Hare Airport," he said of the June 26 press conference announcing the deal at Sears Tower.

"People don't realize how nice it is out here. I think 33 percent of Hoffman Estates is forest preserve. It's good. There's room to breath. No one is boxing you in."



Michael O'Malley

While the negotiations with Sears were being conducted, O'Malley said he slept in spurts, edgy about the outcome. Now after conquering heavy-priced consultants and lawyers with his "bottom-line" style,

he just wants to relax.

"I've been an a high since out. I'm still high, but I'm to come down now. It's impo us that this thing be done right way."

(Mount Clipping in Space Below)

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## O'Malley, Kirkland to share rent, space in new quarters

BY JOAN CARREON  
Daily Herald Staff Writer

Hoffman Estates Village President Michael J. O'Malley and State Rep. James M. Kirkland are cooperating in a real estate venture, of sorts.

The two politicians will share the cost to rent office space in Hoffman Estates. Kirkland, a Republican from Elgin, and O'Malley will have an open house from 10 a.m. to noon Saturday at their new regional office at 1706 Algonquin Road, Hoffman Estates.

Both men will have office hours at the location to meet with area voters.

O'Malley could not be reached for comment but Kirkland's assistant Joane Marscin said she did not think O'Malley had set any office hours yet. O'Malley's phone number at the new office is 991-7909.

Kirkland and/or a representative from his office will be at the Hoffman Estates location from 9 a.m. to

noon on Tuesdays. The office is Kirkland's third in his district.

Kirkland's main office is in Elgin but he also has office hours from 9 a.m. until noon Thursdays at the Barrington Township offices, 602 S. Hough St., Barrington.

Kirkland said he opened the Hoffman Estates office especially for his constituents in the north Hoffman Estates area, South Barrington, Barrington Hills, Inverness and northwest Palatine.

"I just think it's important to get out there and let people know you are available all around the district," Kirkland said.

He said response so far has been "good" at his other locations.

"I guess it takes time. But we've had good response," Kirkland said. "I can't tell you there's been a steady stream of people, but there is more and more all the time."

Saturday's open house is for all area residents. Refreshments will be served. For more information, call 934-4044.

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## Hoffman pacts on Sears move questioned

Sec. 1 P. 3 7/19/89

BY JEAN WRIGHT  
Daily Herald Staff Writer

Hoffman Estates officials agreed to hire two financial consultant firms to help with the relocation of Sears, Roebuck and Co. despite concerns that the village should determine the fees before granting contracts.

Trustees questioned whether the village should hire Glenview-based R.V. Norene and Associates Inc. for financial advisory services and Chapman and Cutler for bond services without knowing the total cost of their fees.

"It concerns me that we're kind of awarding contracts carte blanche," said Trustee Richard A. Cochran.

Trustee Susan H. Kenley agreed and questioned why the contracts had not gone before the finance committee before coming directly to the board.

But Finance Director Douglas R. Ellsworth said the hiring process had to be speeded up because of time constraints involved in applying for a special tax increment financing district for the Sears project.

"We needed these consultants yesterday," Ellsworth said.

Because the village does not know how many bond issues will be involved and what type of financial guidance it will need, Ellsworth said it was too early to tell what the consultants' costs would be.

"The only thing I'm concerned with is you're asking us to put our stamp on what you're already doing," Kenley said.

Ellsworth is expected to give the board an estimated cost for the two consultants next month.

The village also agreed to hire Teska Associates Inc. of Chicago for \$18,500 to prepare the application to the state for the TIF district, called an economic development project tax allocation area.

By next month, Teska is expected to come up with a project description, boundaries and expenses to be covered by the special taxing district. The district is a parcel at the Northwest Tollway and Route 59, where Sears plans to relocate its Merchandise Group.

# Public works garage OK'd, despite high bid

Sec. 5 P.1 7/27/89

BY DWAYNE T. WONG  
Daily Herald Correspondent

Hoffman Estates officials have agreed to go ahead with the village's planned new public works garage, despite the fact that bids for the project came in more than \$1 million higher than expected.

The lowest bid for the 39,000-square-foot garage to be built at Pembroke and Stonington avenues was about \$3.02 million — about \$1.02 million higher than the project's architect, Waukegan-based

Joseph Legat Architects, projected.

Village officials were concerned about why Legat's cost estimates were off by so much.

"The bids are 50 percent over cost," said Trustee Susan H. Kenley. "That's real poor estimating in any field."

Village President Michael J. O'Malley also questioned why the bids were so much higher than anticipated.

"How would you like to get on a plane that lands 50 percent of the time safely?" O'Malley asked. "That's a hell of a cut."

Village Engineer Fred Vogt said the board could either rebid the project or make the plans less costly by omitting a salt shed or other portions of the building from village plans.

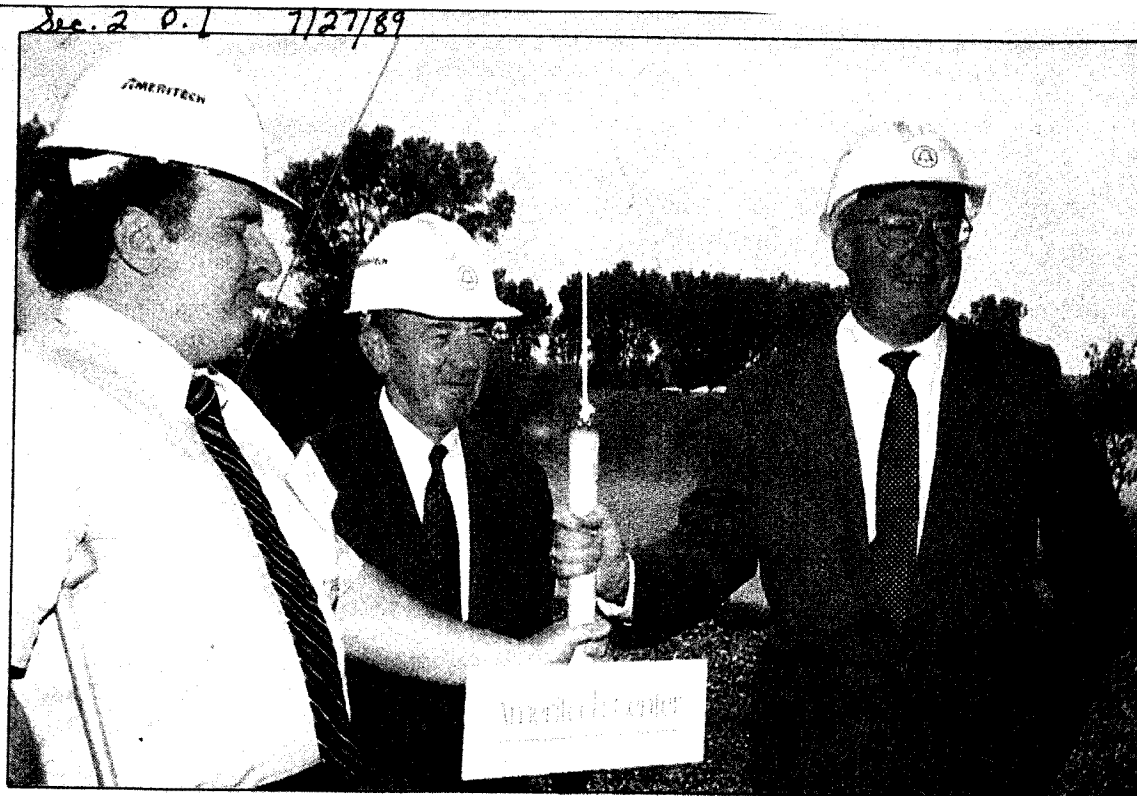
Currently, plans call for a main building that will house vehicles, administrative offices, public works sign shop and meter repair shop. A second building will house the vehicle repair shop. A salt shed also is planned.

Trustees agreed the village should build the structures, which will house the public works snow remov-

al equipment and salt for stabilizing icy roads, as they originally intended without changes.

However, Trustee Richard A. Cochran said the village should look into using smaller construction companies who may give the village a break on prices larger firms won't offer.

Vogt and the architect are expected to meet with trustees again at 7 p.m. Monday at village hall, 1200 N. Gannon Drive, to answer questions about why the bids came back so high.



Gov. James Thompson, Hoffman Estates Mayor Michael O'Malley and Ameritech Chairman William Weiss at the new Ameritech Center groundbreaking.

Daily Herald Photo/Rich Chapman

# Ameritech moves into Hoffman

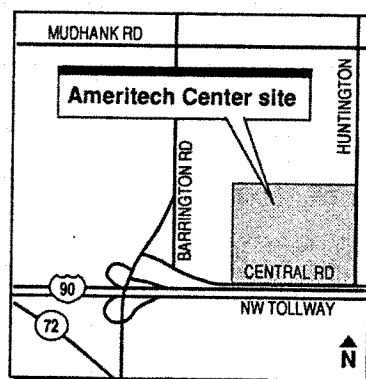
BY JOAN FLEISCHER  
Daily Herald Business Writer

Gov. James R. Thompson joined Ameritech executives and Hoffman Estates officials Wednesday in celebrating the start of construction of Ameritech Center — expected to be one of the state's largest corporate office complexes, second only to the new Sears corporate offices also planned for the village.

Ameritech's new four-story office complex containing 1.3 million square feet — about the size of a downtown 50-story highrise — will house up to 3,200 employees, with the possibility of future expansion at the 237-acre site.

The new facility, located at the northeast corner of Barrington Road and the Northwest Tollway, is scheduled to open in mid-1991.

Ameritech is the \$9.9 billion Chicago-based parent company of Illinois Bell and the Bell com-



Daily Herald Map

panies serving Indiana, Michigan, Ohio and Wisconsin, as well as several other information-related businesses.

Illinois officials worked for more than two years to keep Ameritech in Illinois, offering the company low-interest loans and training grants to aid the \$150 million construction project.

The Illinois Department of Commerce and Community Affairs provided a \$2.3 million

Build Illinois public infrastructure program loan to the Village of Hoffman Estates to assist in completing an access road, turn lanes, intersection improvements and water and sanitary sewers connected with the Ameritech project.

DCCA also has committed up to \$225,000 in Industrial Training Program funds to Ameritech in upgrading skills of 2,200 new and existing workers. The company already has received \$180,995 to help train 125 new workers.

Yet the package is small in comparison to the \$66 million in state grants and incentives and more than \$100 million in anticipated tax breaks given to Sears to lure its 6,500-member Merchandise Group to Hoffman Estates.

"Ameritech could have put this facility in any of the states it serves. Close cooperation from state and local officials helped

See AMERITECH on Page 2



7-15-89



**This 3-year-old photo shows what the foundation of the Governors Place office building looked like in July 1986 before Hoffman Estates officials covered the unfinished building with dirt and fenced in the site. A new developer now plans to finish the two-story medical building.**

## New developer to revive medical building

BY DWAYNE T. WONG  
and STEVE GORECKI  
Daily Herald Staff Writers

A new developer is beginning work on a two-story medical building next to Barrington Square Shopping Center in Hoffman Estates — three years after a previous firm built the foundation.

Joseph Caruso, owner of Red Carpet Duval-Caruso Realtors in Hoffman Estates, is taking over the project from Harvey Teichman and the Benchmark Partnership, former developers of the 20,000-square-foot Governors Place office building that

was to be constructed at Barrington Road and Governors Lane.

Teichman won approval of his plans in late 1985 and the foundation was in place by July 1986. But just as quickly construction ceased and speculation began as to why the project was stalled.

For several months, the site was left idle with construction material and trailers sitting next to the concrete foundation at the entrance of the shopping center.

The new contractor for the \$1.1 million project is DES Incorporated of Aurora. Dickson Shortle, DES executive vice president, told the Hoffman Estates plan commission this

week that Benchmark lost financing for the medical building and was sued by 22 creditors.

Shortle said DES will build Governors Place exactly like the village board approved it in 1985. The 24-foot-tall building will have a berm at the rear and be landscaped with 18-foot-tall trees. The village board on Monday is expected to review the plans again before voting to reaffirm their earlier approval.

Community Development Director Richard Unwin said the plans are identical to the 1985 proposal and meet current construction codes. "Nothing has changed there," he

said.

Village President Michael J. O'Malley said completion of the project is long overdue.

"I'm glad to see something is being done there to get rid of the eyesore in the middle of Barrington Square," O'Malley said. "If it is approved, it will be better for the merchants of Barrington Square and the residents in the surrounding area. Because now all it is is a big eyesore."

About two years ago village officials covered over the foundation with dirt and erected a fence around the site to keep out trespassers.

7-13-89

## Village planning for Sears' traffic

By STEVE GORECKI  
Daily Herald Staff Writer

Cautious optimism about the future appears to be the prevailing mood among Hoffman Estates residents, leaders and business people now that the euphoria is dying down over the decision by Sears, Roebuck and Co. to come to town.

For nearly three weeks the village has been buzzing over the announcement that Sears is relocating its 5,400-worker Merchandise Group to a 200-acre site at the Northwest Tollway and Route 59, just west of Poplar Creek Music Theatre.

The retailer also will take control of 600 adjoining acres for expected future development of hotels and other commercial ventures to service the Sears site. And the company also has options to buy another 500 adjacent acres.

Taking a step back to view the bigger picture, most people now appear pleased with Hoffman Estates' big catch but also fear the retail giant may swallow up the village in one giant traffic jam.

Traffic — more than any single concern — is the issue most on the minds of many individuals just beginning to realize the magnitude of Sears' historic decision.

And with Sears planning to open its Hoffman Estates doors in just three years, that concern is not lost on village leaders.

"Hoffman Estates has to take the lead role in addressing public trans-



Residents, local leaders and business people are welcoming Sears, Roebuck and Co. plans to move to this site in Hoffman Estates but warn that traffic could be a major drawback.

Daily Herald Photo/Vincent Pierri

### Sears' three-year road to Hoffman Estates

**July 1989:** Hoffman Estates' hiring of financial adviser to assist in issuance of bonds for estimated \$100 million loan to buy Sears site.

**July-August 1989:** Hoffman Estates' hiring of consultant to create an economic development plan outlining details of a special taxing district for Sears.

**July-November 1989:** Sears prepares site plans in preparation for submittal to Hoffman Estates.

**September 1989:** Public hearing and expected village board adoption of the economic development plan and details of the special taxing district, including expected property tax revenues and project expenses covered by the taxing area.

**October 1989:** Hoffman Estates begins independent analysis of traffic and transportation issues in the Sears project area.

**December 1989-February 1990:** Sears submits to Hoffman Estates preliminary site plans.

**April-May 1990:** Preliminary site plan approval by village board.

**May-June 1990:** Sears submits to Hoffman Estates final site plans, engineering and landscape plans for Merchandise Group headquarters.

**October 1990:** Possible village board approval of Sears' final plans.

**Late 1990-Early 1991:** Sears begins about 18 months of construction on headquarters.

**July 1992:** Sears plans to move into completed Hoffman Estates headquarters.

portation issues and the road network throughout the area," said Village Manager Peter T. Burchard. To

that end, the village plans to initiate its own traffic study of the area later this year.

"We are going to make it work. And we are not going to make it work by shifting traffic to already congested streets," Burchard said. "I have yet to meet one Hoffman Estates resident who is willing to spend more time in their car because Sears is coming to town."

Burchard said traffic problems should be minimized by planned road improvements and by the fact the Sears site is in an area not already plagued by traffic problems.

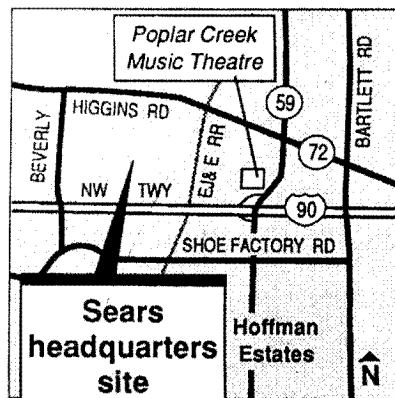
"We're not plunking down Sears in an already-congested area," he said.

Already planned is the completion of a full interchange at the Northwest Tollway and Route 59; widening Higgins Road to four lanes from Beverly Road to the EJ&E Railroad bridge; and widening Route 59 from Higgins Road to Shoe Factory Road.

Because of a lack of public transportation serving the site, state officials also have said that Metra will provide shuttle buses from its train stations in Barrington and Bartlett to the Sears site. And also envisioned for the future is a commuter rail line along the EJ&E right of way through the Sears property.

### Only get worse

But Virginia Smith, a resident of the Moon Lake Village area in Hoffman Estates near Golf and Barrington



Daily Herald Map

ton roads, said traffic can only worsen in the village.

"The traffic situation already is unbearable. The open areas are going to be taken up much more quickly and it will become more congested," Smith said.

Martha Marquez, also of Moon Lake, said her husband sees Sears' move as a way to hold the line on local taxes but she views it as the worst possible way to compound traffic headaches.

"I think it's terrible. Traffic is so bad and it will only get worse," Marquez said.

More optimistic is Ed Goldman, a resident of the High Point area.

See SEARS on Page 3

# SEARS: Traffic seen as biggest problem

Continued from Page 1

"It certainly will aid us taxpayers," Goldman said. "Hopefully the city planners will do a good job of anticipating the traffic patterns and do a good job of planning so we don't have a bigger traffic mess than we already have."

Perhaps one of those most closely affected by possible traffic woes from Sears will be Linda Koltz, who lives on Berner Road in unincorporated Elgin, less than two miles from the site.

"It has its good points and bad points," Koltz said. "We always wanted the full interchange at Route 59 (and the Northwest Tollway) but we're not too happy about the traffic."

Even businesses most likely to benefit from Sears are apprehensive about the effects of 5,400 people tooling to work along local roads.

Randy Mansfield, owner of Hoffman Estates Shell Service at Golf and Barrington roads, said his first reaction is Sears will be great for the village and his own business. In the next breath, Mansfield said he, too, worries about traffic.

"I'm not sure these streets are going to be able to handle it," he said.

## New business

Sears' arrival also likely will mean having to hire more employees and expand services, Mansfield said.

Mansfield plans to offer Sears workers a deal similar to one he gives employees at Allstate in South Barrington — drop your car off for service and get a ride to work in the morning.

Also expecting to profit from the move are restaurants, including Chili's Grill and Bar at Barrington and Higgins roads.

Mark McKenna, Chili's general manager, also expects the need to hire more employees to cater to more patrons.

"We're really excited about it. We're in a good location for increased business. Plus it's great for the community," McKenna said.

How great it really is may eventually be measured by the new businesses that come to Hoffman Estates because of Sears, said William Bishop, president of the Hoffman Estates Business Association. Everything from dry cleaners and barber shops to more restaurants and gas stations will be needed to service Sears workers, he said.

"There will be tremendous benefits for all of us. This gives us several very large and prominent national and international businesses in town," Bishop said, referring also to recent arrivals Ameritech and Siemens Gammasonics.



**Susan Gellersted of the "Jones Road Neighbors" heralds Sears' relocation to Hoffman Estates with a "newspaper" headline proclaiming the news during the town's Fourth of July parade.**

Daily Herald Photo/Rich Chapman

"It definitely increases the prominence of Hoffman Estates," he said.

And it increases its desirability as a place to live.

Local real estate agents predict many mid-level managers and support staff from Sears will look for housing in Hoffman Estates. That demand, they say, will result in higher home values and a continued boost to the local home building market.

But Barrington-area officials, concerned their desire for a country-like atmosphere in which to live will be harmed, are perhaps voicing the loudest complaints about the potential for traffic spilling into their communities. They've vowed to keep a close watch on all proceedings affecting the site and they also want to meet with Sears representatives to discuss their concerns.

In Hoffman Estates, however, the biggest boost from the Sears move is

the prestige of being home to the retailer recognized around the world.

"In an election, people only remember the winner. Hoffman Estates will never again be considered an also-ran," Burchard said. "Sears' arrival here will make Hoffman Estates a focal point of the Chicago metropolitan area. Hoffman Estates is a more than respectable addition to a list of such economic development areas that include the Loop, Oak Brook and Schaumburg.

"In the future, when people think

about important areas of commerce in the state of Illinois, Hoffman Estates will be part of their first sentence," he said.

Burchard, in his role as village manager, knows the village has a lot of work to do before Sears workers start their first day on the job in Hoffman Estates.

Within three years, the village must scrutinize traffic concerns, review preliminary and final site plans and make sure every step of the way is carefully planned, Burchard said.

## Investment

"It's a real investment in the future," Burchard said, pointing to the area on a village map that soon will be Sears' home. "We have entered into a long-term savings account with Sears — a savings account that will reap immediate tax benefits for the citizens of Hoffman Estates when Sears is built."

Those views are shared by the village's elected leaders, both past and present.

Former Village President Betty J. Gloyd said she is not disappointed the Sears deal came just weeks after she left office. Instead, she said, "what's best for the community is the important thing."

"It's very important that the state retained Sears and I think it's really quite an honor for Hoffman Estates to be chosen as the site," Gloyd said. "But the only concern I would have is the traffic impact. I would only hope all measures are being taken to prevent problems."

Village President Michael J. O'Malley, who's straightforward negotiating style was credited with helping to bring Sears to Hoffman Estates just weeks after he took office, said all is and will continue to be done to make sure the project is worthy of its signature status in the village.

"We're going to hire the best of whatever it takes to make sure the traffic impact is minimized," he said. "The Sears project is something we'll be very proud of and will definitely be a boost at a time when people are concerned about rising taxes.

"We can hold our heads up high," O'Malley said. "Hoffman Estates will be well-known not only in Illinois, but throughout the whole country."



# Officials say Sears' incentives will pay off

By STEVE GORECKI  
Daily Herald Staff Writer

Hoffman Estates officials say they've been taking a lot of bashing in the media lately for what some call "giving away the store" to keep Sears, Roebuck and Co. in Illinois.

But a closer look at the numbers, they say, will show that Hoffman Estates — and several other local governments — will be reaping big rewards immediately and a property tax windfall in two decades.

The number most talked about, however, has been the estimated \$180 million in loans and interest that Hoffman Estates has agreed to back to allow Sears to acquire the 800 acres for free.

The \$180 million pricetag includes an estimated \$80 million in interest and \$100 million for the 800 acres, including Poplar Creek Music Theatre.

All of the loan costs will be paid for out of property taxes Sears will pay during the next 20 years as part of a special tax increment financing district being set up by Hoffman Estates.

The taxing district is being called an "economic development project tax allocation area" by local and state leaders who helped create the designation with Sears specifically in mind. The land would not qualify for a traditional tax increment financing district, generally reserved for economically depressed areas.

Sears plans to use 200 acres of the land at the Northwest Tollway and Route 59 for a \$220 million headquarters for its 5,400-worker Merchandise Group. The remaining 600 acres Sears is expected to develop with hotels and other commercial ventures.

The uncertainty as to exactly what Sears will develop on the 600 extra acres makes it difficult to estimate future property tax revenue from the land, said Hoffman Estates Finance Director Douglas R. Ellsworth.

The 600 acres of farmland now generates about \$90,000 in tax revenue for 14 local governments while the 200-acre future Sears site reaps about \$30,000 now for those govern-

## Sears' tax impact on local governments

Estimated property tax from 200-acre Sears headquarters site

	1989 (Undeveloped farmland)	1993 (Sears first year operating)	2013 (Sears special zoning expires)
Total tax revenue to be split among local governments	\$30,000	\$1.4 million	\$32 million
<b>How it will be split:*</b>	<b>1989</b>	<b>1993</b>	<b>2013</b>
Dundee Community			
Unit District 300	\$15,000	\$700,000	\$15.76 million
Village of Hoffman Estates	\$5,100	\$238,000	\$5.44 million
Cook County	\$3,000	\$147,000	\$3.36 million
Hoffman Estates Park District	\$2,000	\$98,000	\$2.20 million
Elgin Community College	\$1,200	\$61,000	\$1.41 million
Barrington Public Library District	\$900	\$42,000	\$960,000
Cook County Forest Preserve District	\$300	\$14,000	\$352,000

\* The top seven taxing bodies. There are 14 in total.

ments, Ellsworth said.

There is less uncertainty about the tax predictions for the actual Sears site.

Ellsworth estimates once the Sears headquarters is completed in 1992, property tax revenue generated in 1993 should total about \$18 million. The taxes generated by the 200 acres when the special taxing district expires in 2013 will total about \$32 million, based on what Ellsworth terms "modest" increases of 15 percent in the land's equalized assessed valuation every four years.

In 2013, the various taxing bodies will receive their full share of the \$32 million windfall, Ellsworth said.

But for the next 20 years most of the tax revenue will go toward paying back the loan and interest for the land and costs associated with site preparation, sewer service and road work.

For example, \$16 million of the \$18 million in taxes to be collected in 1993 will go toward the project costs, Ellsworth said.

That means \$2 million will be left in 1993 for the taxing bodies — an amount that will increase about 5 percent each of the 20 years to about

\$5.94 million in 2012, the last year of the taxing district.

But local taxing bodies will not see all of the \$2 million in 1993 or subsequent years, Ellsworth said.

As part of the deal with Sears and the state of Illinois, Hoffman Estates will be able to use about \$600,000 of the \$2 million in remaining taxes to pay for village operating expenses directly related to the Sears land — namely salaries for 15 firemen and one police officer that will be hired to service the area from a public service center to be built with Sears taxes.

Ellsworth estimates the \$600,000 operating expenses also will increase about 5 percent each of the 20 years.

The local government with the most tax revenue to gain from Sears' decision to relocate in Hoffman Estates, Ellsworth said, is Dundee Community Unit School District 300. It now collects about 49 percent of the taxes generated by the land.

District 300 Superintendent Joseph Scime said he has "mixed emotions" about the Sears move, which will generate about \$700,000 in taxes for the district in 1993, up from the

current \$15,000.

"Obviously \$700,000 is better than \$15,000. But we certainly would have liked to see it paid in full like any other organization would pay," Scime said. "But we also understand the dilemma the state of Illinois was faced with in keeping Sears here."

Scime said he has spoken with Sears officials and was told cooperative efforts between the district and Sears, like joint programming, could be in the works.

While many critics are pointing to the local tax breaks given to Sears and the \$61.1 million in state incentives — including sewers and roadwork — Ellsworth emphasizes the additional property taxes to be generated for local taxing bodies as early as 1993 makes the deal worthwhile.

And, he said, if Sears left Illinois the state's economy stood to lose about \$400 million from lost jobs and related business and retail activities.

"Even though Hoffman Estates and Illinois have been criticized for giving away the store, it's clear the recoupment will come rather quickly to Illinois in general," Ellsworth said.

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

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## SUBURBAN REPORT

## Hoffman, developer agree to swap land

BY JEAN WRIGHT  
Daily Herald Staff Writer

In a move that officials say could save taxpayers almost \$1 million, the Hoffman Estates village board Monday decided to swap land with a Hillside developer seeking to build a hotel in town.

The board voted 6-to-1 to sell a 3.8-acre site on Pembroke Avenue near Stonington Avenue to The Nardi Group for about \$1.66 million. Hoffman Estates forcibly acquired the land last year for \$710,000 to build a salt storage shed and maintenance building.

Pending results of soil tests and a feasibility study, the village plans to build the public works facility on a 4.6-acre site a few

blocks away on Hassell Road east of Stonington Avenue it will buy for \$533,000 from The Nardi Group.

All told, the village could realize a savings of more than \$962,000, said Village Manager Peter T. Burchard.

"This is an opportunity to save the taxpayers close to \$1 million," said Village President Michael J. O'Malley. "When we see an opportunity to save taxpayers money, we have an obligation to do so."

However, the move also is good for the village since The Nardi Group is planning to start construction of a hotel on the site next spring.

Burchard said the village did not know what hotel firm wanted the

land, but estimated it could bring in an additional \$150,000 annually in hotel/motel and property taxes.

The village still plans to construct a temporary salt storage shed on the Pembroke site that will be in place by this winter, O'Malley said. The cost of that building is not yet known.

Trustee Richard Cochran, the lone dissenter to the proposal, said he preferred the Pembroke site for the public works garage because of its proximity to a new garage being built on a larger parcel east on Pembroke.

The salt storage shed, large maintenance building and public works garage are part of the village's two-stage, \$7.5 million public works complex.

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## VOICE

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## Editorials

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### Don't let Club Soda fizzle

It's a shame that entrepreneurs David Latzko and Sheldon Graff were shot down on their proposal to open a Club Soda, a nightclub in Hoffman Estates for 16- to 20-year-olds.

The people in this age group are the misfits of our society: after 17, they're too old for school functions, and too young for adult places. And so the never-ending cycle of forging IDs and hanging out in parks or shopping centers continues.

By providing a place to dance, eat and drink non-alcoholic beverages, Latzko and Graff would fill a much-needed gap with relatively healthy entertainment.

The reasons for rejecting the nightclub can easily be overcome, and we hope Latzko and Graff persevere as they have pledged.

One Hoffman Estates trustee complained the proposed hours of the club would violate curfew laws. The shopping center owners complained that the parking lot lights would be out before the club closed, and thus encourage vandalism and theft. Still other trustees weren't sure if the site, the old Precision Video store in Golf Rose shopping center, was the right place for a club.

It seems business hours could be negotiated — they are for liquor licenses, after all — to stay within the curfew and address the lighting issue. And while there are valid concerns about increased vandalism and shenanigans in the parking lot, a solid security plan by the club owners, and checks from the Police Department to make sure they live up to the plan, would solve the problem.

As for the questions about whether the site is right for a club, the shopping center owners say the building was intended for office or low-volume retail. If that were a suitable use, it wouldn't be vacant more than a year since the last business there closed. There are several restaurants and clubs that set up shop in buildings in parking lots. One example sits across the street; it's called Denny's.

But, then, it's easier just to say no, which the Village Board did in a 4-3 vote. Trustees Susan Kenley, Richard Cochran and Village President Michael O'Malley voted in favor of the club. And the teens will continue to find trouble other places when there's nothing to do on Saturday night.

(Mount Clipping in Space Below)

# Sears move was kept top secret to the end

BY JOAN FLEISCHER  
Daily Herald Business Editor

Every precaution was taken to keep secret the deal brewing between Sears and government officials before the world's largest retailer announced the relocation of its merchandising division to Hoffman Estates, a Sears executive told suburban business leaders Wednesday.

Had Sears' interest in buying more than 700 acres of undeveloped land on Interstate 90 just west of Poplar Creek Music Theatre become public, a bidding war over land value could have erupted. Or officials in Texas and South Carolina could have upped the ante in luring the retailing giant out of Illinois.

Every time the phone rang at Sears for the vice president spearheading the search for a new location for the Merchandise Group, the phone message was sealed in an envelope.

Even the pilot's flight log of the Sears corporate jet was kept guarded to hide the out-of-state scouting missions of Michael Bozic, chairman and chief executive officer of the Sears Merchandise Group, and John R. Parsons, vice president for headquarters for relocation.

"We had to keep it secret even from our own employees," Bozic said in explaining how Hoffman Estates won out among 50 other cities as the site for the \$220 million new headquarters for the Merchandise Group, relocating from Sears Tower in downtown Chicago.

Bozic spoke before nearly 200 business and community leaders attending the season's opening meeting of the Executive Breakfast Club of

Woodfield held Wednesday at the Schaumburg Marriott Hotel.

It was Bozic's first public speaking appearance in the Northwest suburbs since Sears announced on June 26 that it was relocating its 5,400-employee division to Hoffman Estates within 2½ years.

"It was an exciting time," Bozic said recounting how the Sears was wooed to stay in Illinois by the generous economic incentive package put together by Gov. James R. Thompson, Hoffman Estates Village President Michael J. O'Malley and the Illinois Department of Commerce and Community Affairs.

"Hoffman Estates was the best location on all qualities," said Bozic. "The cooperation of state government and village officials is what made Hoffman Estates competitive with out-of-state offers."

Bozic and his division direct the operations of 825 retail stores and more than 3,000 catalog, retail and specialty stores in the United States.

Bozic said he was not privy to ongoing negotiations to sell 110-story Sears Tower and said the outcome does not affect his move.

"I only represent the major tenant of the tower. I understand the process is moving along very professionally looking at how long it takes a house — unless they use Coldwell Banker (a Sears division)," he quipped.

The move to Hoffman Estates is part of the massive restructuring of Sears' retail operations to make them more competitive with discount and specialty stores that have been eating into the market share and profits of Sears.

(Indicate page, name of newspaper, city and state.)

*Sec. 2 p. 1*  
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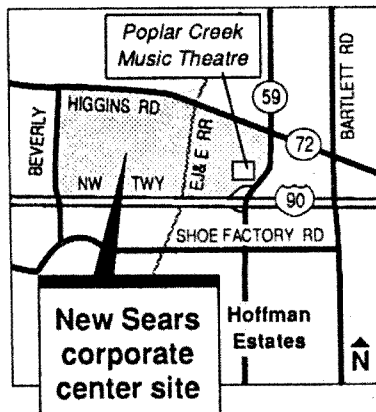
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**Michael Bozic speaks to suburban business leaders in Schaumburg.**  
Daily Herald Photo/Dave Tonge

## What's planned for the Sears site

- The package covers 786 acres, including Poplar Creek Music Theatre.
- Series of low-rise, campus-style offices for the \$220 million Merchandise Group headquarters.
- Child care facility operated by Sears.
- Full tollway interchange at Route 59.
- Possible commuter rail link from EJ&E Railroad.
- 10-acre village green with bandshell.
- Police and fire station, public works center, water tower.
- Several major-market, top-line hotels.



Source: Sears, Roebuck & Co., State of Illinois, Village of Hoffman Estates



(Mount Clipping in Space Below)

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OK's developmentCharacter:  
or  
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## Hoffman Estates panel OKs development

BY DWAYNE T. WONG  
Daily Herald Correspondent

Hoffman Estates' plan commission is giving its final blessing to a plan to build houses on 120 acres of farmland on the village's west side.

The panel's unanimous vote means Chicago-based Highland Development Co. must receive village board approval before it can begin building 107 houses on the Casey and Volkering farm sites between Golf and Bode roads.

The houses represent the company's first phase of residential building at the site. Sixty-four duplexes also are planned for the property, though the plan commission has not yet given final approv-

al for that part of Highland's project.

Highland's entire subdivision will be split by a north/south road between Golf and Bode. Springguth Road, which now ends at Bode, will be extended through the site.

The panel approves of the way Highland has divided the 120-acre site for houses and duplexes. It also supports the way the company has situated the houses on individual parcels within the site.

As a condition of its endorsement, the plan commission called for Highland to provide a landscape buffer along the west side of the property to separate the duplexes from Schaumburg's Hilltop subdivision.

The planners originally wanted Highland to provide landscaped buffering along the entire west side of the development. But that changed when concerns arose about homeowners removing the landscaping in favor of fencing.

The planners' approval allows the developer to begin earth-moving operations prior to the village board's vote on the project.

For approval to build the duplexes, Highland will have to present detailed plans for them and how they are situated.

The duplexes originally were slated to have asking prices of \$160,000 to \$190,000, but Highland officials said the prices would be adjusted to allow for a variety of styles.

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

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# Village to profit from parcel sale

By **WILSON MEDINA**  
Staff Writer

For an estimated \$1-million profit, the Hoffman Estates Village Board agreed to exchange land with a developer that wants to build a hotel in the village.

Last week, Murray Lewison, an attorney for the Hillside-based Nardi Group, approached the village about purchasing a 3.8-acre site originally earmarked for a public works center. The land, located on Pembroke Avenue near Stonington Avenue, was forcibly taken by the village last year to build a shed and maintenance building.

But with Nardi offering \$1.6 million for the land, the board couldn't pass up the deal, even though it was in the process of approving architectural plans for that site. In a 5 to 1 vote, the board agreed to sell the property and buy a 4.6-acre site a few blocks away on Hassell Road east of Stonington Avenue for \$533,000 from the Nardi Group.

"The net gain is \$962,366 in addition to the hotel tax, which could add up to \$150,000 (for the

village) annually," said Village Manager Peter Burchard.

The deal is pending soil tests and a feasibility study, but Village President Michael O'Malley said the savings were too good to turn down.

"We have an opportunity to save our taxpayers a large amount of money in a time when we're all concerned about taxes," he said. "The battle cry has been to contact governmental bodies about spending. If you want to talk about a classic example of saving money, this is it."

Trustee Richard Cochran, the sole dissenter, didn't agree. Calling the Pembroke site a "premium spot," Cochran said he preferred to build on the 3.8-acre site because of the easy access to the water tower.

Meanwhile, the village plans to erect a temporary salt storage shed on the Pembroke site for the winter.

The second phase of the public works center will eventually include a salt storage shed, a vehicle and equipment maintenance building and a large storage facility.

## 1-minute profile



Virginia Hayter

Photo by Tanit Jarusan

## Village stalwart stays in the ring

Four years ago, Virginia Hayter was president of Hoffman Estates. Today, as village clerk, she can be seen at board meetings busily taking notes, reading resolutions and polling trustees during votes.

Some may consider her new job a demotion, but Hayter, who's lived in the village since 1962 and been involved in village government in one way or another for 20 years, says her new responsibilities suit her just fine.

Instead of dealing with village issues of the day, Hayter says she only has to worry about making sure board members have the materials needed to make decisions.

"I like government," said Hayter, 56. "I'd been approached to run for president (during the April elections), but I wasn't interested in that seat."

Hayter said the notion as village president she wielded enormous power is wrong. "The power does not reside in the mayor's seat," she said. "The only power the mayor has is his power of persuasion. I don't consider this a step down at all. I don't believe in the hierarchy in government."

A mother of five who range in ages from 33 to 21, Hayter says she loves to cook, read and take weekend trips. She's even learned to handle rock and roll music, but can't stand the Grateful Dead.

"I'm mad about the theater, whether it be a play or movie," she said. "I love the opera. I try and get in one or two classes a year at Harper College or District 211. I like going to school. I like learning new things. I'm not into hard rock, but after having five children shake the walls, I can appreciate people who listen to it."

As village president in 1978, Hayter oversaw the annexing of the land that will now house Sears, Roebuck & Co. as village president in 1978. She says she feels a sense of pride that the retailer chose to relocate in Hoffman Estates.

"I'm very pleased with that," she said. "There's an old adage that says, 'Always have land — It will have value.' When we annexed that land, I knew that would be our future."

As for her future, Hayter will just roll with the punches.

"I like change. I'm not upset by change. I'm enjoying this."

**WILSON MEDINA**

(Indicate page, name of newspaper, city and state.) *Sec 2 page 6*  
*CHICAGO TRIB*

6 Section 2 Chicago Tribune, Wednesday, September 6, 1989 N

City/suburbs

Date:

Edition:

*CHICAGO TRIB*  
*SCHAUMBURG*

# Sears deal could cost Hoffman Estates \$764.5 million

Title:

*Sears deal could cost...*

Character:

or

Classification:

Submitting Office:

*194 C- 779**CHICAGO*

Indexing:

By David Ibata

Keeping a division of Sears, Roebuck & Co. in Illinois could end up costing Hoffman Estates as much as \$764.5 million over 23 years, a consultant's study predicts.

That would be in addition to the \$61.1 million promised by state economic development officials for site and highway improvements and other subsidies to keep the Sears Merchandise Group and its thousands of jobs in Illinois.

The village's cost would be paid by property taxes from Sears and other development on the 786-acre Sears site, not by residents of the village.

Separately, a Sears spokesman confirmed for the first time that the retailer eventually would close the

Poplar Creek Music Theater and redevelop the site, an outdoor concert spot for 25,000 spectators on the eastern end of the site to be given to Sears.

However, the spokesman, Guy Eberhardt, an attorney, said the timetable for closing Poplar Creek would depend on market conditions and how the rest of the land develops.

The estimate of \$764.5 million was made by Teska & Associates, an Evanston consulting firm retained by the Village of Hoffman Estates to advise it on its proposed Economic Development Area, a new type of development incentive approved by the state legislature in late June to cement the Sears deal.

The village now will negotiate an economic development agreement with Sears and direct its staff to begin preparing ordinances creating the special development zone. The legislature will have the final say on setting up the zone.

A public hearing was conducted by the Hoffman Estates Village Board Tuesday night as required by the Economic Development Area legislation.

However, no members of the public nor spokesmen from neighboring Barrington area communities, which had long opposed intense development of the Sears land, rose to speak against the deal. The meeting lasted only 30 minutes.

The Sears Merchandise Group,

now housed in Sears Tower in downtown Chicago, employs 6,000 people.

The retailer's relocation to the 786 acres along the north side of the Northwest Tollway (Int. Hwy. 90) between Ill. Hwy. 59 and Beverly Road, would bring at least 2,000 of those jobs to Hoffman Estates, Sears officials have promised. The move is scheduled for the early 1990s.

The Teska study estimated that among the costs to be borne by Hoffman Estates are \$90.3 million to assemble the Sears site, as well as \$108.2 million in site and infrastructure improvements, and \$486.4 million in developer subsidies. The balance of the cost would go toward studies, expanded police and fire

services and cost stemming from the bond issue.

However, Lee Brown, vice president of Teska, cautioned that these figures assumed what would be in effect a worst-case scenario.

"It is not necessarily anticipated that all of the costs shown here will be spent," Brown said.

Another part of the Teska study predicted total property tax revenues of \$625.9 million, assuming the entire 786 acres is developed over the next 23 years, an amount Brown said was conservative because it did not take inflation into account.

The projected property taxes will determine how much in bonds Hoffman Estates can sell and how much it will be able to afford to

subsidize Sears.

The Teska study also predicted that the jobs produced by Sears could be the first of more than 12,000 new jobs for the Hoffman Estates land.

Sears itself would occupy a 1.6-million-square-foot office building on about 200 acres on the northwest corner of its site. An additional 1 million square feet of office, conference and hotel facilities also are envisioned for that corner.

An unspecified amount of office, research, light industrial and hotel buildings and possibly Hoffman Estates Police and Fire Department facilities would go on the balance of the site, the Teska study said.

## Campaign promises holding true

BY STEVE GORECKI  
Daily Herald Staff Writer

One Hoffman Estates trustee likens the first 100 days of the administration of Village President Michael J. O'Malley to being on the "steps of Shangri-la."

The difference between former Village President Betty J. Gloyd and O'Malley, says Trustee William D. McLeod, quite frankly is like "night and day."

"It's been a difference of night and day. There is a better attitude on the village board and among the staff. You can just see it at the meetings, it's a more relaxed and better working atmosphere," McLeod said. "Some of us old-timers remember the tension of the last four years. We've gone from the depths of hell to the steps of Shangri-la."

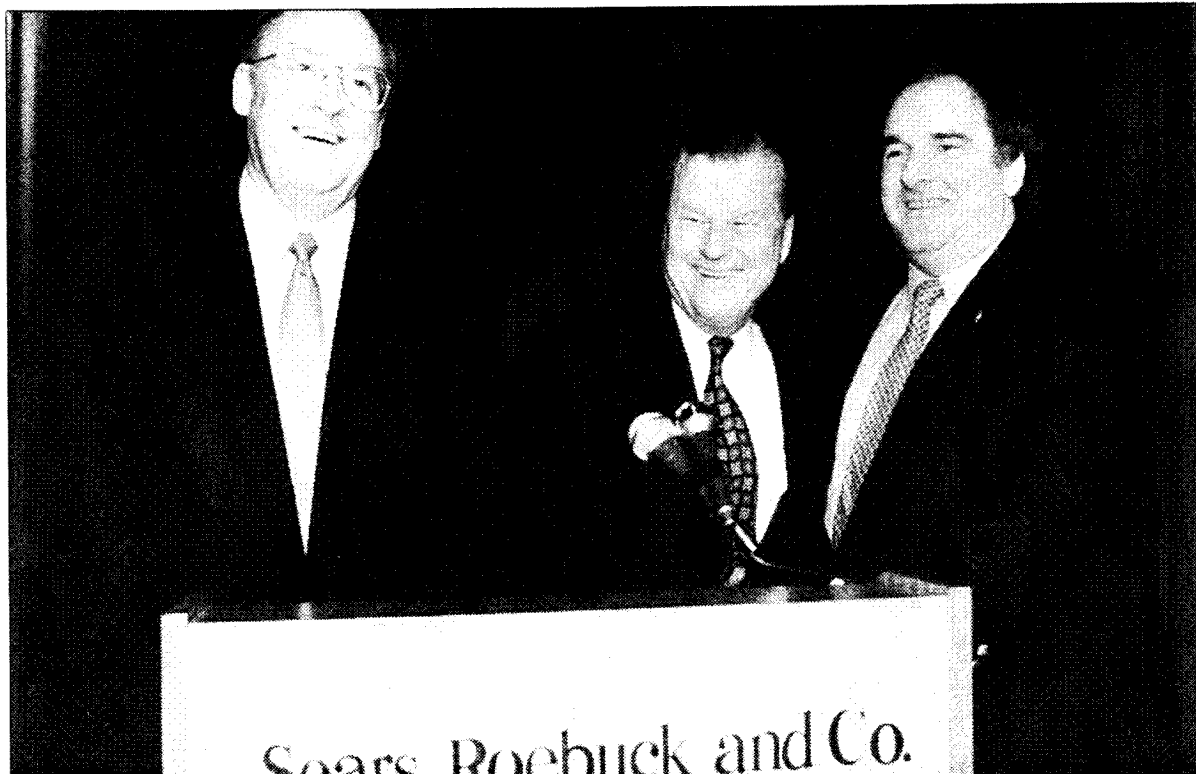
But if the first three months or so are any indication of what's in store for the village in the next three years and nine months, then O'Malley may be getting a lot more than he bargained for when he first sought the job about a year ago.

"Yep, it's been everything I thought it would be — and then some," O'Malley says from behind the same desk used by Gloyd, his predecessor. "There have been more hours than what I expected. The first 100 days have been very busy. They've gone by very fast. Sometimes it seems like it's been longer than 100 days. Every day is a new adventure."

That's putting it mildly.

O'Malley has been a party to a list of accomplishments that have included everything from re-opening deadlocked contract talks with firefighters to luring the nation's largest retailer to Hoffman Estates — all within a shorter span of time than it takes to approve some of the simplest plans coming before the village.

And the success of those efforts, O'Malley said, all goes back to the fulfillment of a promise he made during and after the election.

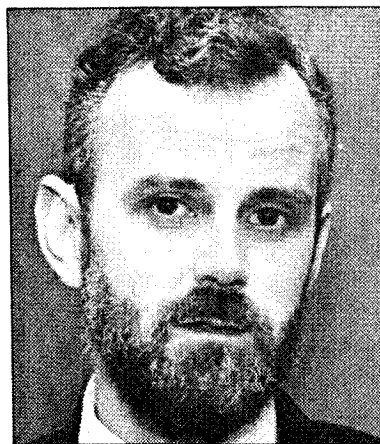


**On the biggest day of the first 100 days of his administration, Hoffman Estates Village President Michael J. O'Malley, right, and Gov. James R. Thompson and Sears, Roebuck and Co. chairman Edward A. Brennan discuss the giant retailer's decision to move to Hoffman Estates.**

That promise stares O'Malley in the face each day as he sits behind his desk — it is etched in black and white in a headline appearing above a framed newspaper story that ran the day after his victory: "O'Malley eager to fix communications."

"Better communications with residents and with the village trustees are the biggest accomplishments so far," O'Malley says. While not directly faulting his predecessor, O'Malley said from the onset he planned to be more open than Gloyd when communicating with trustees.

"I think there is a more relaxed atmosphere among the board members. We share information and we



**William D. McLeod**

"It's been a difference of night and day... Some of us old-timers remember the tension of the last four years. We've gone from the depths of hell to the steps of Shangri-La."

-Village Trustee William D. McLeod

See O'MALLEY on Page 3

responsibilities. It makes for smoother running village," O'Malley said.

Lately, things have been running remarkably smoothly.

The list of O'Malley's accomplishments and inroads into certain problems includes:

- Beating out a national list of competing municipalities — including Chicago — to lure the Merchandise Group headquarters of Sears, Roebuck and Co.

- Breaking ground on the 250-acre Ameritech Center headquarters that eventually will house more than 3,000 workers.

- Meeting directly with negotiators for the village and firefighters' union to get talks moving forward after more than 14 months of futile discussions.

- Gaining the appointment of all his nominees for village boards and commissions on his first day in office.

- Helping residents in northern Hoffman Estates get reductions on tax bills because of mistakes by the Cook County Assessor's office.

- Meeting with the local leader of Operation PUSH to promise village cooperation on racial issues and head off a planned rally by more than 100 people to investigate "potential racism" in Hoffman Estates.

- Village board creation of a citizens advisory committee to discuss recycling options.

- Village board creation of a citizens committee to help educate voters about the need for passage of a November referendum clearing the way for a 911 emergency telephone system in Hoffman Estates.

- Village board re-institution of "coffee with the board" to let residents discuss concerns with board members on an informal basis every three months or so.

Looking back on these first steps in his administration, O'Malley attributes the success to the cooperation and teamwork of the entire village board.

"Their input means a lot to me," O'Malley says about the trustees. "The biggest thing about all of these things is that they were not done by one person. They were accomplished by the entire village board. Teamwork and communication is the battle cry of this administration."

McLeod credits O'Malley with being the catalyst for many of the early successes.

Sixth-term Trustee Bruce C. Lind, who has worked with three previous village presidents, calls O'Malley "an easy gentleman to work with."

"He listens, understands and knows the art of compromise," Lind said. "There already are marked changes from the last four years. There is almost unanimity on the decisions of the board. The past four years were riddled with split decisions and overturned decisions — an overall feeling of not accomplishing things. When we leave meetings now we leave with a sense of accomplishment rather than dissatisfaction."

O'Malley's opponent in the election, Trustee Richard A. Cochran, said it's too early to critique the new administration and said the man who defeated him by a 2 to 1 margin

should be given more time to get acclimated to the new job.

"It's too early yet. Let's give him a chance," Cochran said. "You can find strengths and weaknesses in anyone. No one is perfect. After getting elected he didn't have time for a break-in period. He was thrown into the fire."

One early criticism Cochran is willing to make, however, is that as far as he's concerned, the new village president has not been communicating that well with all board members.

"I'm not always kept abreast," Cochran said.

But Cochran said an O'Malley strength has been his accessibility to the public.

O'Malley says it is important that improved communication extend also to the residents of the village. He gets more than 30 phone calls daily and works on answering all of them.

"People know they can call here and talk to somebody. They know there is an administration here that cares," O'Malley said. "I think people feel they can call and get through and something's going to happen when they get through. The most important commodity the village has is its residents and we have to take care of that commodity."

To that end, O'Malley spent countless hours involved directly and indirectly in negotiations that finally wound up bringing Sears to Hoffman Estates.

"I got baptized in fire. I was only in office a day or two when Sears came to our door," O'Malley says. "It was supposed to be an exciting challenge but nobody expected it to come so fast. It took a lot of teamwork by the village board and staff to get the job done — everyone from the village manager to the switchboard operator."

Village Manager Peter T. Burchard also has noticed a difference during the last 100 days.

"It's obviously been quite a different atmosphere around here. I mean here we're in tense negotiations with someone like Sears and down the hall you hear Irish folk songs blaring and the mayor is dancing in his off-

ice," Burchard quips.

O'Malley has a portable cassette player behind his desk and does admit to popping in a tape or two to take his mind off the worries of the day.

It's O'Malley's straightforwardness and down-to-earth style that Burchard credits for helping lure Sears to Hoffman Estates.

"His leadership in the Sears negotiations was essential. He conveyed a very honest, straightforwardness when dealing with top officials from a company that big," Burchard said.

At last month's groundbreaking for the Ameritech Center, O'Malley was joined by Gov. James Thompson. The two had talked extensively during the Sears negotiations so it came as no big surprise when Thompson turned to O'Malley at the Ameritech fete and told him he already had become one of his favorite mayors.

The Ameritech project, in the works for about two years, laid the groundwork for the Sears coup, O'Malley said. Ameritech and other recent additions to the Hoffman Estates business community are the foundation upon which the rest of the village will develop, he said.

In another apparent feat, long-stalled negotiations with the firefighters' union now appear back on track after O'Malley invited both sides to sit down with him without the presence of labor attorneys. No settlement has been reached but the two sides at least are talking again, O'Malley said.

O'Malley also accomplished something his predecessor had been unable to do, largely because of political differences for four years. At his first village board meeting, O'Malley succeeded in winning the appointments of all his nominees to village panels.

"They weren't my appointments. They were the appointments of the whole village board," O'Malley said. "There were no surprises."

The new village president also stepped in last month to help resi-

# O'MALLEY: First 100 days keep him busy

ents in the Evergreen and Castle  
and subdivisions who said they had  
been overtaxed by the Cook County  
Assessor's office.

O'Malley and a representative of  
the assessor's office met with the  
residents and some of the homeowners  
received reductions in their tax  
bills because of a mistake by the  
county.

Another meeting that led to positive  
results was O'Malley's recent  
talks with the Rev. Jimmie L. Daniels,  
a Hoffman Estates leader of Operation  
PUSH, the minority rights organization  
founded by the Rev. Jesse Jackson in 1971.

The meeting between Daniels and  
O'Malley prompted the PUSH leader  
to drop plans for a large rally over  
"potential racism" in the Northwest  
suburbs. The rally had been planned  
after Hoffman Estates fired the village's  
first and only black police officer for  
refusing orders to remove fingerless  
gloves.

The officer, Florene Williams of  
Palatine, earlier had filed a \$1 million  
lawsuit against the village claiming  
she was the subject of repeated racial  
harassment while on the force.

O'Malley promised Hoffman Estates  
would immediately address any racial  
problems brought to the attention of  
the village. Daniels said the pair made  
"significant inroads" toward solving  
matters. He also said the situation  
provided an opportunity for determining  
"what the mayor's word is worth."

So far, it appears O'Malley is  
proving that he does keep his word.

"He made many campaign promises  
and to date almost everything has  
followed what he's promised," Lind  
said.

Examples include the village board's  
creation of citizen advisory commissions  
to investigate recycling and to educate  
voters about the need for a 911 emergency  
telephone system — two areas in which  
progress was promised by O'Malley during  
the campaign.

Another promise O'Malley made was  
to keep in touch with residents after  
the election. He said he learned a lot  
from the people while campaigning door-  
to-door and did not want to lose that  
personal contact.

To that end O'Malley and State Rep.  
James Kirkland, a Republican from  
Elgin, opened a local office in which  
residents can meet the pair and tell  
the officials about their concerns.

O'Malley and the village trustees  
also reinstituted quarterly "coffee  
with the board." Those meetings give  
residents a chance to have a cup of  
coffee and doughnuts with elected  
officials and informally discuss any  
and all concerns.

While O'Malley indulges in  
conversations with the residents at  
those coffees, he is careful to not  
indulge in any doughnuts.

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.) *Sec. 1 Page 3***DAILY HERALD**Date: *9-20-89*  
Edition: **SCHAUMBURG / HOFFMAN ESTATE**Title: *... teen nightclub  
the bump*Character:  
or  
Classification: *194 C- 779*  
Submitting Office: **CHICAGO**Indexing: *194 C 779 Sub E - 100*SEARCHED *[initials]*  
SERIALIZED *[initials]***SEP 20 1989**b6  
b7c

## Hoffman gives teen nightclub the bump

**BY JEAN WRIGHT**  
Daily Herald Staff Writer

Hoffman Estates officials have rejected a developer's request to reconsider plans for a \$1 million teen nightclub, saying the proposal still had too many problems.

David Klatzco, of Soundproof Productions, said he thought he had not adequately explained what he was proposing to build at the Golf Rose Shopping Center.

Klatzco was proposing a nightclub that would offer a mix of music, non-alcoholic drinks and food for as many as 1,000 teenagers at a time. The club, that would have been located at 1070 N. Roselle Road, would have been open from 7 p.m. to midnight on

weekdays and 7 p.m. to 1 a.m. on weekends.

Earlier this month, the village board voted 4-to-2 to reject the plans that received approval from both the plan commission and the zoning board of appeals.

Village President Michael J. O'Malley said the only way the issue could be reopened is if one of the trustees who voted against it wanted to reconsider the plan.

Trustee Bruce C. Lind, who voted against the proposal, said it still had too many problems including security, location and the number and type of people it would attract, for him to reconsider the plans.

"I saw all sorts of problems coming," Lind said. "You're talk-

ing 1,000 kids. I don't care what you say, 1,000 kids is 1,000 kids. It attracts the undesirables from all over — not necessarily those going in, but others."

Trustee Michael D. Friesen, who also voted against the proposal, said he had "a couple of dozen" problems with the club as proposed and that there could not have been enough changes to plans to make him change his mind.

However, Klatzco said he still plans to pursue a teen nightclub.

"I have a goal to do it," Klatzco said. "It will happen somewhere. Maybe I'll find the cornfield people think teen-agers belong in. They don't. They deserve the best."



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(Indicate page, name of newspaper, city and state.)

sec 5 p. 1  
DAILY HERALD

Date: 9/27/89

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title: Village searching...

Character:

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Classification: 194B-779

Submitting Office:

CHICAGO

Indexing:

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SEP 28 1989

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# Village searching for assistant to manager

BY JAMES P. BOZIKIS  
Daily Herald Staff Writer

Hoffman Estates officials will begin looking for a second-in-command to take some of the work load from Village Manager Peter T. Burchard.

The village board this week agreed to create the job of assistant village manager, a position for which Burchard said, "perhaps the time has finally come."

"In most municipalities and certainly in municipalities of our size, there is an assistant," Burchard said. "Having an identified second-in-command would be a benefit to the board and the staff as a whole."

Burchard said he will begin advertising for the position immediately and expects the search process to

take 60 to 90 days. He added that he hoped to fill the position by the end of the year.

"I would expect about 100 resumes," he said. "That goes to show you there are a lot of highly qualified people who would jump at the opportunity."

The assistant village manager would be paid between \$43,000 and \$56,000 a year. The position would be fully funded in next year's budget, Burchard said.

Although no money has been allocated in this year's budget for an assistant village manager, Burchard said the village will find the funds to pay the assistant for the remainder of the fiscal year, which ends in April.

"We'll rely on increased revenues from this year and decreased expenditures to pay for the position," he said. The village only will need to find a quarter of the assistant's yearly salary in this year's budget if the position is filled by January, he added.

Trustee Susan H. Kenley said growth, including the relocation of Sears' corporate offices to the village, is prompting the need for additional staff.

"People are concerned that we don't have the personnel," Kenley said. "Peter's working too many hours. (He's doing) too much stuff that shouldn't be handled by our chief administrator."

The village does employ an assist-

ant to the village manager, Shirley Wells-English. That position used to be titled administrative assistant, but, Trustee Michael D. Friesen points out, "to a lot of people, administrative assistant sounds like a glorified secretary and that's not what Shirley Wells-English is."

Wells-English's position will remain, but the new job will represent "a higher step in the hierarchy," Friesen said.

The assistant manager would fill in when Burchard is absent and would have a hand in planning, organizing, coordinating and running the village government and its programs.

The new position will "allow (Burchard) to delegate some of authority," Friesen said.

# Sears executive says retailer will boost local business

By Dana DeBeaumont  
Staff writer

Sears, Roebuck & Co. will boost local businesses and increase employment opportunities for residents of Hoffman Estates and the surrounding communities, Michael Bozic, the company's chairman and chief executive officer, said Sept. 20.

The Sears Merchandise Group will purchase supplies and services and award contracts to area companies, he pledged.

Several thousand people do business with the Merchandise Group daily and those people will need some place to eat and stay, Bozic said, adding "there's a lot of good, clean business to be done."

Besides giving businesses an economic surge, the Merchandise Group will recruit local workers to join the Sears team, Bozic said.

**BOZIC ADDRESSED ABOUT 200** business, community, and educational leaders last week in Schaumburg at a gathering of the Executives Breakfast Club of Woodfield.

When a businessman told him that they had difficulty recruiting workers — especially unskilled workers — Bozic responded, "There are a lot of innovative things we can do to attract (qualified) people."

But he stopped short of revealing specific hiring techniques because Bozic said he did not want to give competitors an advantage and insisted that the company would like to bring as many of its current employees as possible to the new site.

"The last thing you want to do is throw away the people who know what they are doing," he said.

**SOME OF THE** Merchandise Group's 5,400 employees already have explored the area for homes, he said.

This was Bozic's first public speech regarding the highly publicized move by Sears from Chicago to Hoffman Estates.

The Merchandise Group hopes to be settled in its new home in the southwest corner of Hoffman Estates in about two years, with a groundbreaking for the development scheduled for as early as next spring.

The operation director of more than 800 retail stores and 3,000 catalog, retail, and specialty stores, Bozic described Hoffman Estates as "the best location on all qualities."



Michael Bozic

**BUT HOFFMAN ESTATES,** Gov. James R. Thompson and the Department of Commerce and Community Affairs had to offer Bozic and his company a lucrative incentive package before they decided to locate in the village.

The convincing jewel of the package, Bozic said, was an economic development agreement that was created especially for Sears by the state legislature in the closing hours of the 86th General Assembly. In this agreement of more than \$764.5 million, Sears will pay taxes but not development costs.

"Very frankly, this (economic development agreement) is what made Hoffman Estates compete with other out-of-state contenders," Bozic said, explaining that there were more than 50 location possibilities, both in and out of Illinois.

"You can't be low-priced everyday unless you're low cost everyday," he said, chuckling.

**BOZIC CALLED THE** location search "a very exciting time" and explained that every precaution was taken to keep relocation options a secret. Messages for John R. Parsons, the Sears vice president for relocation, were kept in sealed envelopes and the log of the corporate jet's travels was sequestered.

"We see a great opportunity in the Hoffman Estates area," Bozic said. "Our customers live out here and I think it is very important to live where our customers live."

(Indicate page, name of newspaper, city and state.)

Sec. 1 p. 5  
~~REVIEW~~  
REVIEW

Date:

Edition:

SCHAUMBURG / HOFFMAN ESTATE

Title:

Sears executive

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Classification: 194B-779

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Sec 5 p. 1  
DAILY HERALD

Date: 10-4-89

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Title: H.E. - OK's town house

Character:

or

Classification: 194B-779

Submitting Office: CHICAGO

Indexing:

194B779 Sub E-105

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 20 1989	
FBI-CHICAGO	

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b7c

# Hoffman Estates OKs town houses

By JAMES P. BOZIKIS  
Daily Herald Staff Writer

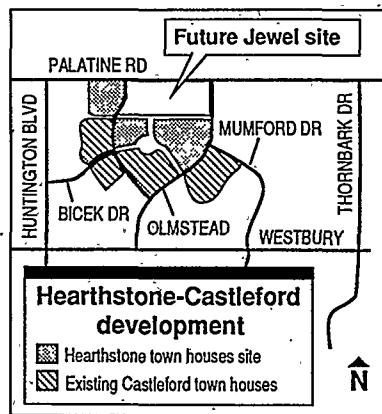
Hoffman Estates officials have given preliminary approval to a 143-unit town-house development on the village's north side.

Despite concerns about parking and tree preservation, the village board gave Pulte Home Corp. the initial nod to go ahead with the development of 20 acres off of Olmstead and Burnham drives.

The board voted 6-1 to accept the preliminary plans for the final phase of Pulte's Castleford subdivision. The new area, to be called Hearthstone, is planned for land just south of a parcel on Palatine Road earmarked for a future Jewel Food Store.

The board approved the plans with several conditions, one of which was brought up by Trustee Michael D. Friesen.

"I'd like to see a (final) plan with



Daily Herald Map

some tree preservation," Friesen said. The town houses are in "rows and blocks. They're not very imaginatively laid out," he said. Friesen suggested Pulte "drop a few units and save a few trees."

But Pulte Director of Planning Tim Hernandez said he saved as

many trees as possible.

"I love to save trees," he said, "but believe me, given this site, given all these parameters, it just wasn't possible."

"I didn't say save every tree in the area," Friesen countered, "I just said some."

But with the condition that Pulte establish a tree preservation scheme to the board's satisfaction, Friesen voted to approve the preliminary plan.

Only Trustee Richard A. Cochran voted against the plan, saying its parking provisions reminded him of the Barrington Square subdivision in Hoffman Estates.

"I think parking is going to be a serious problem with this plan," Cochran said. "Many families own more than two cars. I cannot vote for this plan without guest parking. Especially the way families are, every teen-ager has a car."

All the town houses will have two-

car garages, but there are no plans to include guest parking.

The subdivision will be built with 18 one-bedroom units, 18 two-bedroom units and 107 three-bedroom units. The average town house in the subdivision is expected to sell for \$115,000.

Carolyn Morris, president of the 306-home Castleford Homeowners Association, said the Castleford board of directors voted to include Hearthstone in its association.

By assuming Hearthstone, Morris said, "we can ensure that the total area is maintained." She added that the larger a homeowners association is, the easier it is to bid for snow removal or other services.

With both subdivisions under one association, "now we have something to deal with," Morris said.

Pulte will work with village staff to meet the village board's conditions before submitting a final plan to the board.

(Indicate page, name of newspaper, city and state.) *CG TRIB. p-1*

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Date: *3/9/90*  
Edition:Title: *COST To Keep SEARS  
MAY Go UP To 9M.I.*Character:  
or *194C779*  
Classification:  
Submitting Office:

# Cost to keep Sears may go up \$19 million

CHICAGO  
ng: *194C779 Sub E-100*

SEARCHED	INDEXED
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MAR 9 1990	
FBI-CHICAGO	

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By David Iyata

The state may have to spend \$19 million more than originally anticipated to hold onto the Merchandise Group of Sears, Roebuck and Co., state highway officials disclosed Thursday.

State road improvements to accommodate the up to 5,400 jobs that Sears may bring to northwest suburban Hoffman Estates are now expected to total \$39 million, nearly double the \$20 million estimate of last June.

But representatives of nearby communities charged that even the \$39 million highway plan was inadequate, saying it only addressed short-term needs rather than long-term traffic congestion, and that the road work would be limited to the immediate vicinity of the Sears site.

The latest costs, disclosed by representatives of the Illinois Department of Transportation at a public hearing Thursday in Hoffman Estates, raised the total

cost to the state of keeping Sears here to \$80.1 million from \$61.1 million in grants, loans and tax incentives.

That amount would approach the record \$88 million in incentives that the state extended in 1986 to bring a Chrysler-Mitsubishi Diamond Star Motors plant to Bloomington.

State officials have defended the Sears incentives by saying the alternative was to lose the Merchandise Group, currently in Sears Tower in downtown Chi-

cago, to another state.

Reacting to the roads plan, Donald Klein, executive director of the Barrington Area Council of Governments, said it takes into account only the first 200-acre phase of the Sears project, and not future development on 588 acres to be held in reserve.

"It just seems to me that [the state] has done a completely short-sighted workup of traffic," Klein said.

"I see some colossal bottlenecks engineered into this

plan—for example, where Illinois [Highway] 59 goes from six lanes to two lanes just north of Illinois [Highway] 72," said Alex MacArthur, president pro tem of the Barrington Hills Village Board. "That's a bottleneck as good as any Coca-Cola ever designed."

The cost of road work is to be borne by the Illinois Department of Transportation, Illinois State Toll Highway Authority and, possibly, Sears. Spokesmen for

See Sears, pg. 24

# Roads

Continued from page 1  
the problem worse."

As it is, the states have seen a steadily dwindling supply of money for transportation from Washington.

For example, Illinois received an average of \$625 million a year in federal funding for roads and an average of \$390 million a year for public transit between 1983 and 1986, according to the Illinois Department of Transportation.

Between 1987 and 1989, those figures fell to \$500 million and \$340 million, respectively.

Because of the mounting cost of repairing existing roads, construction of new highways has become impossible in many cases because of lack of money.

But Bush's proposal could lead to new road construction in certain cases, said Richard Adorjan, an IDOT spokesman.

Under current law, federal funds cannot be used for tollways, he said. But the president's policy would provide a new flexibility, and a mix of private and federal dollars could be combined to build new thoroughfares. That could improve the prospects for a number of new projects, including a proposed tollway between Chicago and Kansas City, Adorjan said.

The concept of tollways is nothing new to Illinois. The state has 273 miles of these driver-financed superhighways. The most recent addition to the system, Du Page County's North-South Tollway, was cited by Skinner as an example of what can be accomplished without federal help.

Under Bush's approach, the federal government also would give the

most financial assistance to the state and local governments that provide the biggest local share. That could give Illinois—which has increased gasoline taxes by 6 cents a gallon in the last year to raise more money—a competitive advantage over other states that have been less aggressive, officials said.

"The federal government is moving to a strategy of rewarding those states that do more for themselves and penalizing states that do less," said Gov. James Thompson. "I agree with that philosophy because Illinois has always been willing to do more for itself. We're not standing there looking for a federal handout without putting forth any effort."

The new approach also could bode well for two projects embraced by Mayor Richard Daley. One is a \$600 million trolley system that would whisk commuters and visitors through downtown. Plans call for funding two-thirds of its cost from state grants and a special tax imposed on Loop property owners, with the federal government picking up only one-third of the cost.

The other project is Daley's controversial Southeast Side airport. He proposes to pay for the \$5 billion venture largely through a "user" tax imposed on passengers who board at O'Hare International and Midway Airports.

But the impact of the new policy could fall heavily on public transit systems nationwide, including the Regional Transportation Authority.

Gayle Franzen, who followed his friend Skinner as RTA chairman after Skinner's Cabinet appointment last year, acknowledged that "transit, without question, is hurting."

Tribune reporters Gary Washburn, Merrill Gozner and Rob Karwath contributed to this report.

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# Sears deal results in more cops, firemen

By Dana DeBeaumont  
Staff writer

Hoffman Estates is slated to get 15 new fire fighters and five new police officers because of a revised economic development agreement with Sears, Roebuck & Co.

Sears will pay for the new employees for the next 23 years in the form of taxes paid to the village, Village Manager Peter Burchard said.

"We are getting free of charge 15 new fire fighters," Burchard said, adding that the fire fighters will be housed in a new fire station on or near Beverly Road at the Sears site.

The crew will be responsible for a 4,000-acre area on the west tip of town, which includes the site for the Merchandise Group's five-building, campus-style headquarters.

A NEW BEAT system will be established when the police start. They will be based in the current police station in village hall, but will have a sub-station on or near the Sears site, Burchard said.

The employee additions are necessary for Sears to exist in Hoffman Estates, he said. "We've got to have the new protection," Burchard noted.

Hoffman Estates Village President Michael J. O'Malley said neighboring communities such as Schaumburg, Barrington Hills and Streamwood, also stand to benefit from the beefed-up police protection because Hoffman Estates has protection agreements with those communities.

"It's (increased protection) good for the people, all people," the village

president explained. "This is fantastic. Sears is paying for an increase in public safety."

**VILLAGE OFFICIALS, PROMPTED** by somewhat unexpected revisions to a state-backed economic development agreement, have been negotiating a revised benefit agreement. The most recent revision to the more than 100-page document revolve around the use of funds generated from the agreement.

The Merchandise Group plans to move its offices out of the Sears Tower in Chicago and into a \$220 million complex on a 200-acre site at the corner of Higgins and Beverly roads. The move is expected to bring more than 2,000 full-time Sears employees to the new headquarters.

The revisions essentially outline what Sears is allowed to use its tax increment financing money on. Other than police and fire improvements, the funds can be used for other public improvements ranging from sidewalks to sewers to land acquisition.

"The initial funds have to come to the local government," Burchard said.

**THIS YEAR SEARS** reportedly is promising to pay about \$2 million to local governments. Hoffman Estates will take its share out for police and fire protection, a variety of equipment, public improvements and construction of a water storage tower before other local taxing bodies can use the funds, Burchard said.

However, the district and local school districts — are entitled to at least 25 percent or \$500,000 of the taxing donation.

"We have a guarantee from Sears for \$78 million to local governments before Sears gets reimbursed for any of its expenses," Burchard explained. "It (the agreement) sets forth pretty clearly what types of things Sears will be responsible for."

Representatives from the retail giant were scheduled to present this proposed agreement Tuesday evening at a joint meeting of the village's zoning and planning commissions. The village board may consider it Monday.

**TRUSTEE RICHARD COCHRAN**, who has opposed some of Sears' plans, said he would support the revised agreement. "The majority of what I see is fine," Cochran said. "I have a couple of small concerns that undoubtedly can be worked out."

"Unquestionably, I think this is a good deal for Hoffman Estates," he exclaimed.

For the next 23 years, local taxing units are guaranteed between \$2 million and \$5 million in additional revenues paid by Sears, Burchard said.

Burchard, however, cautioned that the agreement undoubtedly will be altered with further revisions. He explained that the agreement will last for 23 years and that village

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## Sears deal—

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officials have a responsibility to solidify benefits because few will see the deal finished.

"YOU HAVE to understand that this is the first ever EDA agreement," Burchard said. "We, essentially, are writing new law."

In the closing hours of the last legislative session, the General

Assembly designed an economic development agreement for Sears. The legislation calls for tax increment financing "to fund the construction of eligible public improvements and project costs to encourage the type of private investment that will allow the municipality to achieve its goals, while providing the type of incentives necessary to retain Sears in Illinois."



## Sears taps new coordinator to head move

The new coordinator of the Merchandise Group's move to Hoffman Estates will have a variety of tasks, including reviewing architectural options.

By Dana DeBeaumont  
Staff writer

Sears, Roebuck & Co. named Daniel J. Garrison to head the Merchandise Group's move to Hoffman Estates after the former coordinator retired.

Garrison, who has been working closely with John Parsons on the conceptual plans for Sears' new five-building complex in the northwest corner of Hoffman Estates, will be responsible for several duties.

Those responsibilities include reviewing the company's architectural options, maximizing office automation and technology and defining the headquarter's environment, Sears spokesman Gordon Jones said.

Jones acknowledged that Garrison's job description could change, but explained that Garrison has been part of the relocation team from the beginning and that he and Parsons have worked together on the relocation project.

THE COMPANY HAS been preparing for the retirement of Parsons, who had worked with Sears for 35 years, Jones said.

"He (Garrison) is the head of Sears' team for its new headquarters," Jones said. "In terms of Hoffman Estates, it means that there will be a different person responsible for the move and that they will be dealing with a different person.

"As appropriate, he will meet with village officials, but it won't always be Mr. Garrison at the meetings as it is not always (Village President Michael J.) O'Malley," the spokesman said.

Hoffman Estates Village Manager Peter T. Burchard said he has not previously worked with Garrison, but he is not expecting the personnel switch to trigger any confusion or delays.

"I EXPECT everything to stay right on track," Burchard said. "I'm looking forward to establishing a wonderful working relationship with him."

O'Malley said he recently talked at length with Garrison concerning the project and said he is comfortable working with him. "They both (Parsons and Garrison) are concerned with the same thing."

Employed by Sears since 1963, 49-year-old Garrison has been the general manager of the Chicago group of retail stores from 1985 to 1989. He spent three years prior to that as the general manager of the company's Hawaii stores and was the operating manager of Sears' international operations from 1981 to 1983. He also has served as a store manager in Florissant, Mo., and North Randall, Ohio.

Sears plans to move its Merchandise Group office out of Sears Tower in Chicago and into a \$220 million, five-building office complex located on a 200-acre site at the corner of Higgins and Beverly roads.